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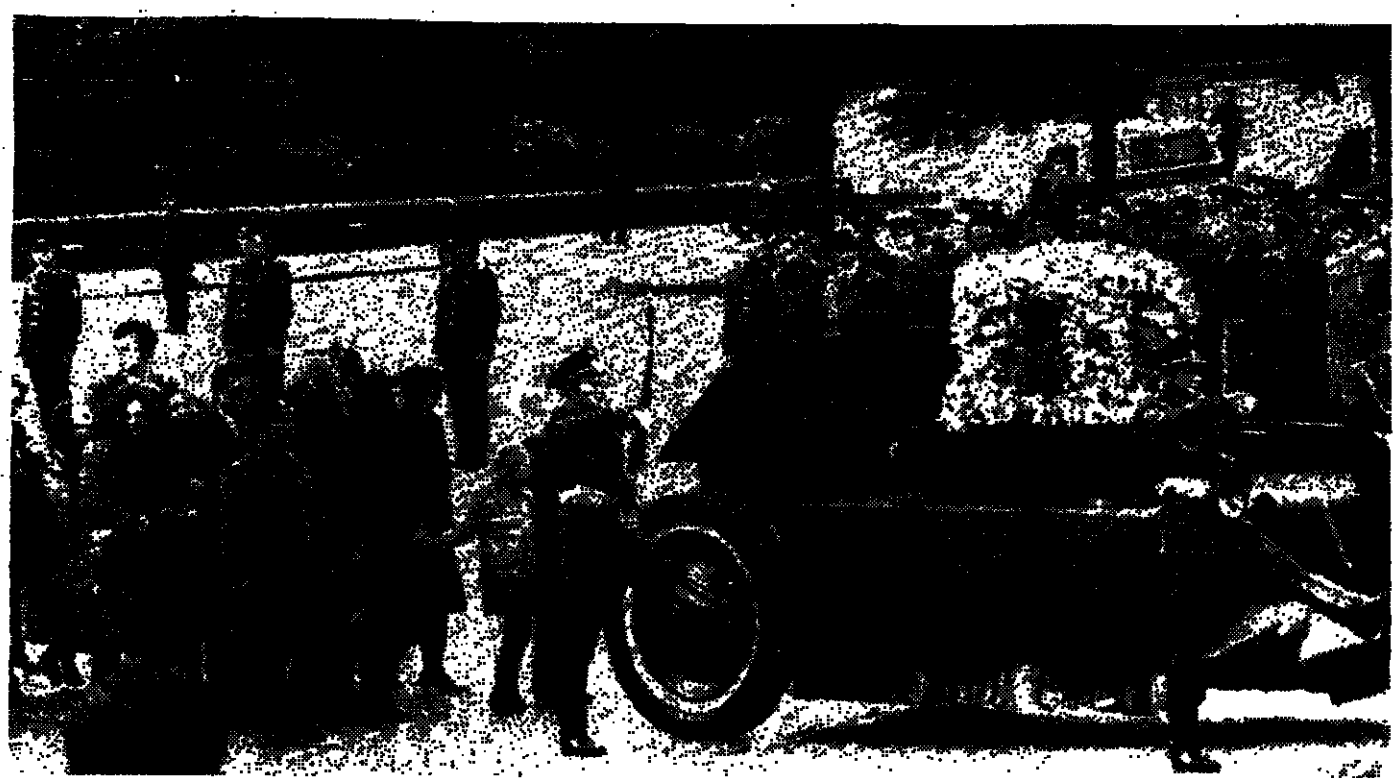
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PARIS, THURSDAY, JULY 20, 1978

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THE WEATHER — PARIS: Thursday, cloudy. Temp. 20-14. 10-12. Friday, cloudy. Temp. 20-14. 10-12. Saturday, cloudy. Temp. 20-14. 10-12. Sunday, cloudy. Temp. 20-14. 10-12. NEW YORK: Thursday, sunny. Temp. 77-71 (58-50). Friday, sunny. Temp. 77-71 (58-50). Saturday, sunny. Temp. 77-71 (58-50). Sunday, sunny. Temp. 77-71 (58-50).

Austria	12.5	Kenya	Sh. 7
Belgium	20 B.F.	Lebanon	\$12.25
Denmark	3.50 D.K.	Luxembourg	20 L.F.
France	20 F.	Morocco	20 M.F.
Germany	20 G.M.	Netherlands	1.50 G.F.
Greece	20 G.	Nigeria	70 K.
Great Britain	20 P.	Norway	3 N.K.
India	40 R.	Portugal	20 P.
Iran	40 R.	Spain	20 P.
Israel	40 L.	Sweden	27.5 S.K.
		Switzerland	20 S.F.
		Turkey	57.15
		U.S. Military (Eur.)	\$0.25
		Yugoslavia	20 D.



HERO'S FUNERAL — A gun carriage carries the remains of Politburo member Fedor Kulakov to a hero's funeral in Moscow's Red Square, as mourning family members follow.

Mr. Kulakov, 60, who died of a heart attack Monday, was later buried in the Kremlin Wall. He had been regarded as a possible successor to Leonid Brezhnev as Soviet president.

Vance to Visit Mideast

Egypt, Israel Yield Little in U.K.

LEEDS CASTLE, England, July 19 (AP) — Egyptian and Israeli foreign ministers closed their two-day meeting today with no sign of progress on a Mideast peace settlement.

In Khartoum, Sudan, President Anwar Sadat of Egypt told a summit gathering of African heads of state that Israel was "still dreaming of expansion" and that it could be the cause of grave damage to the region.

Israeli Foreign Minister Moshe Dayan issued a statement immediately after the meeting, saying that the fact that this meeting took place, but if you ask me if there was progress in the normal sense, the answer is no.

Mr. Vance said that he would go to the Middle East in about two weeks to pursue peace moves on the future of the West Bank, the Gaza Strip and the Palestinians. He said he anticipated that "there would be other meetings of this sort" at that time.

ground to justify a scheduled negotiating session this morning appeared to be lacking, so Mr. Vance called in Mr. Dayan and Mr. Begin separately.

In Jerusalem, Prime Minister Menachem Begin and opposition Labor leader Shimon Peres, engaged in a shouting match during a session of parliament.

Mr. Begin accused Mr. Begin of "filling a prescription for Israel's isolation." Mr. Begin countered by asking Mr. Peres, who met with Mr. Sadat last week in Austria, if he had discussed territorial compromise between Israel and the Arabs.

The statement said that "the two sides explored in depth the principal issues" and that each clarified its peace blueprints.

After traveling from the scene of the talks, a 13th-century castle about 45 miles southeast of London, Mr. Vance said at a news conference: "I believe Egypt and Israel remain fully committed to establishing a genuine peace."

Results Uncertain U.S., Communists Widen Ties in Italy

By Louis B. Fleming

ROME, July 19 (NYT) — The United States has broadened its contacts with the Italian Communist Party in recent months but the results, measured in terms of party policy, have been disappointing to U.S. officials.

U.S. Ambassador Richard Gardner for the first time has had direct contact with high party officials, but not with Enrico Berlinguer, the party secretary.

"We want to hasten and encourage the process of the Westernization of the party even though we realize it may take a generation to do it and, also, that it may never come," Mr. Gardner said.

Mr. Gardner's contacts have followed a State Department statement on Jan. 12 opposing Communist Party participation in the governments of Western Europe. The statement made the contacts possible by reducing misunderstanding of his role.

"No reasonable person can now have any doubt about our strong preference that there be no increase of influence or power by the Italian Communist Party," Mr. Gardner said.

Italian Reality

Mr. Gardner sees his expanding contacts as dealing with the reality of Italy, where the Communist Party, which gained 34 percent of the

vote in the 1976 national elections, controls local or regional governments of more than half the population.

"We are disappointed that we have not seen more progress in terms of Communist Party independence from the Soviet Union and movement to true democratization," he said. "Obviously, we need more changes on the basis of a few contacts. But I have been particularly disappointed on my visits around the country to discover how faithful the Communists still are to Leninism. I often make a point of asking them if they are Leninists. I have yet to meet one who replied in the negative."

Leninism has become a major topic of discussion among the West European Communist parties since the Spanish Communist Party renounced the concept at its spring congress. It implies an acceptance of the dictatorship of the proletariat and acceptance of the monopoly of power by a single party — two concepts rejected by many Italian Communists.

Mr. Gardner's contacts are not widely known and have attracted no public criticism. But the risk of misinterpretation has been dramatized by the way Italian newspapers reported President Carter's comments.

(Continued on Page 2, Col. 7)

Package at Heathrow Triggers False Alert

LONDON, July 19 (AP) — A package found near a parking lot at Heathrow Airport caused a major bomb alert today, with roads to a terminal sealed and passengers evacuated.

A police bomb squad officer worked on the package for 10 minutes — and found it contained a plastic flower.

Whatever the reasons, said Dr. Calvin Frederick of the National Institute of Mental Health, they add up to a state of mind that is "hapless, helpless and hopeless. They don't believe in the future."

The victims range from the seemingly happy-go-lucky, who give no clear clues beforehand, to the classic loners who scream silently for help.

June 11 in Weymouth, Mass., an apparently well-adjusted 17-year-old girl fatally shot herself on the day of comedian Freddie Prinze's funeral. She said in a note that his death and the deaths of a friend, a dog and a cat made it impossible for her to go on living.

They are but two of the statistics: Government figures for 1968 to 1976 show that the number of suicides each year by people 15 to 24 years old rose from 2,357 to 4,747 — more than 100 percent. That compares to an increase of about 25 percent for the total population.

Even among younger children — aged 10 to 14 — suicides increased from 116 in 1968 to 158 in 1976, an increase of 36 percent.

Suicide affects the young of all races and socioeconomic levels.

Statistics do not reflect the full problem because not every suicide is reported as such. Furthermore, for every suicide by a young person there are many more attempts — some think as many as 50 times more.

Michael Peck, director of

youth services at the Los Angeles Suicide Prevention Center, studies young suicides in a county with a rate of 19 per 100,000 for males 15 to 19 years old — the highest rate in the country.

In the 1960s, he says, the classic suicidal youth was lonely and isolated, and his death brought the statement, "Gee, we never really knew him." Now Mr. Peck sees a new suicidal group, more aggressive, delinquent and troublesome, including users of drugs and alcohol.

Mr. Peck and others believe that confused upbringing is a big factor in potential suicides' inability to cope.

"Years ago, when parents were consistent in teaching values and discipline, children knew where they stood. Today, parents are confused about their own roles and don't know whether to be a

House Favors Single Limit on U.S. Immigrants

WASHINGTON, July 19 (UPD)

The House yesterday voted 396-20 to set a worldwide ceiling of 290,000 on immigration to the United States, replacing separate ceilings of 170,000 for the Eastern Hemisphere and 120,000 for the Western Hemisphere.

The bill, which now goes to the Senate, also would establish a 16-member Select Commission on Immigration and Refugee Policy, with a budget of \$700,000, to evaluate existing laws.

In a separate bill, the House voted 411-0 to remove the limitation of two petitions for immigration benefits to alien adopted children.

It also removes the requirement of two years of U.S. residence and one year of physical presence before alien children are eligible for naturalization.

Suicides by U.S. Youths Double — to 5,000 — in 10 Years

NEW YORK, July 19 (AP) —

At an age when they are supposed to have everything to live for, almost 5,000 U.S. teen-agers and young adults each year — about 13 a day — are in such deep despair that they commit suicide.

Weapons Expert Criticizes 'Shell Game'

WASHINGTON, July 19 (WP)

The Pentagon's idea of playing a giant shell game with land-based missiles to fool the Russians is nothing short of "madness," a weapons specialist who participated in a secret study of the concept said yesterday.

U.S. Mobile Missile Plan Called 'Mad'

By George C. Wilson

Dominic Paolucci, a retired Navy captain who served on the Strat X team that assessed U.S. strategic options in the 1960s, said the "shell-game" deployment would force the Russians to target even more of their nuclear weapons to the U.S. land mass where people live.

Concept Explained

The shell-game concept goes like this:

For every U.S. missile, 20 scattered holes would be dug. The missile, complete with launcher, would be trucked from hole to hole secretly, at night, so that the Russians could never be sure which silo held the missile.

Also Criticizes West at African Summit

PARIS, July 19 (Reuters) —

Twelve prominent French scientists said today that they will boycott all scientific meetings held in the Soviet Union in protest against recent trials of dissidents.

The scientists, including surgeon Laurent Schwartz and Andre Weil, a mathematics professor at Princeton University in New Jersey, also said that they would not attend meetings in France organized within Franco-Soviet cooperation accords.

12 French to Boycott Meetings

Also Criticizes West at African Summit

Nigeria Warns Russians Not to Overstay

By David B. Ottaway

KHARTOUM, Sudan, July 19 (WP) — Nigeria warned the Soviet Union and Cuba today that "they should not overstay their welcome" and become a "new imperial power" on the African continent.

In a speech before the annual summit meeting of African leaders, the Nigerian head of state, Lt. Gen. Olusegun Obasanjo, told the Soviet Union that Africa was "not about to throw off one colonial yoke for another."

The Nigerian leader was equally critical of the recent Western military intervention in Zaire, saying that "paratroop drops in the 20th century are no more acceptable to us than the gunboats of the last century were to our ancestors."

It was the first time Nigeria had spoken out forcefully against the growing Soviet and Cuban military presence on the continent. Western observers attached all the more importance to his warning in that Gen. Obasanjo chose the Organization of African Unity summit meeting to deliver it, thereby assuring maximum publicity.

Otherwise, he said, they ran the risk of "being dubbed a new imperial power, as indeed they already are being called even by those with whom they have long association." This was taken as a reference to Egypt, Sudan and Somalia, which have cut once-close ties to the Soviet Union.

"Let the Soviets and their collaborators heed this timely counsel," he added.

The Nigerian leader's speech carefully balanced a two-way attack on Western and Eastern involvement in African affairs. In a reference to the French-initiated, U.S.-supported African military force now stationed in Zaire's southern Shaba province, Gen. Obasanjo said: "We totally reject as an instrument of neocolonialism any collective security scheme for

Africa fashioned and telegraphed from outside Africa" and serving the interests of any superpower.

He said that what Africa needed most today was not arms or "sterile ideological slogans" irrelevant to African society, but heavy economic assistance.

Gen. Obasanjo's speech was applauded repeatedly. At the end, President Julius Nyerere of Tanzania, who is known to hold similar views, walked over to congratulate him.

Summit observers have been watching to see whether a "third nonaligned force" would emerge here between African countries heavily dependent on Western military assistance, such as Zaire, Chad and Mauritania, and those which rely on Soviet and Cuban aid, such as Angola and Ethiopia.

There are estimated to be more than 45,000 Cuban troops and advisers in 13 African countries, and (Continued on Page 2, Col. 4)

Officials said that no decision had been made on whether to approve or reject a proposed \$144 million deal between Moscow and Dresser Industries of Dallas, Texas, (Continued on Page 2, Col. 8)

Further U.S. Policy

Officials said that Mr. Carter's decision to re-establish export controls on oil technology was permitted under a provision of the 1969 act that says the president can hold up sales if such an act would "considerably" further U.S. policy.

In the last 18 months, Moscow has purchased more than \$540 million worth of oil-related equipment. The Energy Department estimates that the Soviet Union is now seeking \$1 billion in U.S. oil technology for the next three years.

These proposed deals cover a wide range of equipment, including oil drilling bits, seismic detection devices and compressor pumps. In many cases, officials said, the United States is the only source of the equipment Moscow is seeking to import.

The officials emphasized that Mr. Carter had made no decision on whether these proposed deals would be allowed to go through and that yesterday's decision was designed to give him the ability to react to Soviet behavior. "This is not an embargo," said a senior official. "The president has only acquired some needed flexibility in coping with the Russians." He said that the president can link his decisions, if he so desires, to other issues in Soviet-U.S. relations.

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On Persecution Claims

China Asks Vietnam To High-Level Talks

TOKYO, July 19 (AP) — China today proposed holding high-level bilateral talks with the Hanoi government on the fate of ethnic Chinese who claim they are being systematically persecuted in Vietnam.

The Peking government called for an early meeting of vice foreign ministers and reports that thousands of Chinese are fleeing to China from harassment in Vietnam. Talks at the embassy level have been in progress since June 13, to no avail.

A Chinese note to Vietnam said China made the new proposal "out of its sincere desire to uphold the traditional friendship between the Chinese and Vietnamese peoples and to seek an overall settlement of the question of Chinese residents in Vietnam."

The dispute already has led to a halt in Chinese aid to Vietnam and closure of Vietnamese consulates in

southern China, adjoining Vietnam.

Vietnam has denied that Chinese in Vietnam are persecuted, and has accused China of bullying tactics.

The note, broadcast by the Chinese news agency, said the talks could be held either in Hanoi or Peking.

It said the Chinese Embassy in Hanoi has held 17 meetings with Vietnamese officials on repatriating by ship the people it described as "victimized Chinese nationals," but it said no progress has been made because of "the obstacles deliberately placed in the way by the Vietnamese side."

Two ships sent by China have been waiting about a month outside the Vietnamese ports of Haiphong and Ho Chi Minh City (formerly Saigon), the note said.

"Meanwhile," the note continued, "the Vietnamese side has continued its persecution and massive expulsion of Chinese nationals so that the number of victimized Chinese nationals driven back to China has approached 160,000."

The note said that in the last week, Vietnam has forced more than 2,000 Chinese to the Yuyi Pass and Tungshing Pass in China's Kwangsi province.

It declared that, since June, China "has made repeated representations through various channels, earnestly calling upon it to value the traditional friendship between the Chinese and Vietnamese peoples and stop all acts of discrimination against, and persecution and expulsion of, Chinese nationals residing in Vietnam."

"But the Vietnamese side has all along been unresponsive, so that the situation has become increasingly grave," it said.

Panel Rejects Baader Charge

STRASBOURG, France, July 19 (Reuters) — The European Human Rights Commission ruled today that the prison treatment of Andreas Baader, Jan-Carl Raspe and Gudrun Ensslin — three convicted West German urban guerrillas who committed suicide in their cell last October — was not unduly harsh.

The three leading members of the so-called Baader-Meinhof gang filed a claim with the commission two years ago that they were subjected to "isolation torture." After they had committed suicide in their Stuttgart prison cells, relatives of the three continued to press the claim.

The 14-member commission rejected the application and said that the special conditions of detention imposed on the guerrilla trio were completely justified by the dangers that they posed.

Suicides Rise in U.S.

(Continued From Page 1)

disciplinarian or a best friend," he said.

"Kids," he continued, "need something not rigid but stable."

He cited two typical cases:

• A boy of 17 walks quietly into his bedroom and shoots himself in the head with his father's rifle.

Afterward, his parents could not name one of his friends. They said he loved school — he told friends he tolerated it. They said he loved to go hunting and fishing with his father — he told others he hated hunting.

"They didn't know their son," Mr. Peck said. "When he wanted to talk, they didn't want to listen and said he had no reason to be unhappy." The parents were both professionals, with a stable marriage.

A 15-year-old girl takes a fatal overdose of sleeping pills.

Her parents were fighting all the time and threatening divorce. She became more frightened, upset and insecure, but every time she tried to talk with them they pushed her away.

She started taking tranquilizers and gulped an overdose, hoping they would rush to her side and be reunited over her misery. It did not work. She tried again and "succeeded."

Parents, say the experts, need to listen to their children and to ask them how they feel. Everyone is unhappy from time to time, but if the unhappiness does not abate, professional help should be sought.

And there are signs that can mean danger: a change in behavior. A child stops bowing on Wednesdays, stops homework. He goes away a prized possession, like a baseball glove, and says, "Here, I won't need this anymore."

Sometimes, when a young person decides death is the answer, there is a sudden change from depression to seeming light-heartedness.

"Suicidal people want to escape from the pain," says Mr. Peck, "but suicidal people don't want to die."

In addition, he predicted, if a lot of holes are dug for one missile, "there will come a time when some mild crisis or other circumstance will invite the decision to fill the holes with missiles and launchers since 'the holes are dug anyway.'"

The end result, would be "the same fixed, vulnerable system we are trying to replace," Mr. Paolucci said.

He said the Strat X team looked at the shell-game proposal and rejected it as unsound.

Fire Hits Corsica Forest

CORTE, Corsica, July 19 (Reuters) — A violent forest fire in central Corsica today destroyed 136 acres of vegetation, fire officials said.



FORMAL OPENING — Rome Mayor Giulio Argan (center), is on hand for the public opening of Villa Torlonia, Mussolini's residence, which belongs to the Rome City Hall.

Pentecostal Group Prays for Soviet Exit Visas

Siberians Stage Sit-In in U.S. Embassy

MOSCOW, July 19 (AP) — By day, seven Pentecostals from Siberia sit in leather armchairs in the consular section of the U.S. Embassy quietly reading their Bibles.

When the office has closed and everyone else has left, they kneel and pray for exit visas from the Soviet government.

The seven say that they want to go to the United States to practice their faith. They have been held up in the embassy for three weeks.

They vow to stay until they win a 17-year fight, and embassy sources say they will not be ejected. The group is scarcely noticed by U.S. students and correspondents, or by Soviet citizens who enter with their government's permission to apply for visas to the United States.

Members of the embassy staff have taken up a collection to feed the seven, and once in a while one of the embassy Marines brings

them a hot meal. Someone has provided blankets for them to use when they stretch out on the yellow leather couches at night.

The sit-in began June 27 when members of two miners' families from the Siberian town of Chernogorsk pushed past Soviet policemen who guard the embassy's entrance.

Can Stay 'Forever'

The Pentecostals say that the embassy asks them to leave every day. An embassy official said they had been told that it was not in their best interests to stay, and that they had little chance of obtaining a Soviet guarantee of visas.

But this, he said, was all the embassy would do. It is not embassy policy to force such people to leave. "If it is necessary to keep them here forever, then we will," the official said.

"We have decided to stay an unlimited time," said Pyotr Vashchenko, 57, the leader of the group. "We will stay until our problem is resolved."

He said that he and his wife, Augusta, 49, have 13 children and want to move the whole family to the United States. With them in the embassy are their daughters Lidya, 27, Lubov, 25, and Lilya, 21, and a neighbor, Maria Chmykalova, 56, and her son Timofei, 16.

Mr. Vashchenko's son Ivan, 17, was stopped by the police as he tried to enter the embassy with the others. His father says he has received word that the boy made it home safely.

Mr. and Mrs. Vashchenko say they invaded the embassy in 1968, but it got them a term in a labor camp instead of the exit papers they sought.

In addition, Mrs. Vashchenko said, three of their children were taken from them for six years because, in the eyes of the Soviet government, "belief in God is a lie." Under Soviet law, children may be taken from parents who are judged unfit to raise them as good citizens.

The Pentecostal evangelical sect has its roots in the United States. It began winning Russian converts at the start of the century, and according to Western estimates there are now 500,000 Pentecostals in the Soviet Union. About half are registered with official religious boards. The rest worship illegally.

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'Better Than We Anticipated'

Carter Calls Bonn a Success

By Terence Smith

WASHINGTON, July 19 (NYT) — President Carter and his senior economic negotiators returned here yesterday convinced that they had achieved their goals at the Bonn summit, and, equally important, had escaped being tagged as the scapegoat for the world's economic ills by the other industrialized democracies.

Aboard Air Force One Monday night, Mr. Carter was pressed by reporters about whether he had felt on the defensive because of the huge U.S. trade deficit and the lack of an energy program.

"No," he said. "I never felt on the defensive at all. He said that it had been a 'successful summit, better than we anticipated.'"

The president's aides echoed this view, but they conceded that the tone of the discussions was different from that of earlier sessions.

West Germany and Japan in particular were more confident and more assertive in their demands for trade concessions and reductions in the U.S. energy consumption level, the aides said. An official observed that the self-confidence and economic security of the two nations demonstrated that "after 30-odd years, the war is finally over."

"The losers have become the winners economically," he said, "and they are no longer reluctant to throw their weight around."

Ultimatums Ruled Out

Mr. Carter confirmed that he had told the other leaders that the United States would not accept any ultimatums on trade concessions or on curbing energy consumption. Instead, he outlined the elements of the energy program that he was attempting to get through Congress and said that the other leaders left it to him to implement the policy.

Mr. Carter conceded that the private discussions among the leaders occasionally had been combative.

"We don't pull any punches in our private meetings," he said. "We are very forceful, we are very evocative, very argumentative at times. But the sum total of it is that we understand each other very well."

He added: "Quite often the heads of state will be more frank and free in their discussions when only the four of us or the seven of us are in the discussion than they will be even in the presence of foreign or finance ministers."

Political Restraints

Mr. Carter agreed with a questioner that one of the problems faced by the leaders in such meetings was the conflict between the demands of macroeconomic policy and domestic political interests.

West Germany, for example, could help speed world recovery by stimulating its economy, but in so doing would run the risk of increasing its inflation rate — a sensitive issue with Germans who recall the runaway inflation of the 1920s and 1930s.

"I think every political leader was pushing his own political options to the limit," Mr. Carter said, "and I think the leaders of the world on economic affairs always have to recognize the political restraints in one's own country."

The other six leaders at the conference, he said, "understand clearly what we are trying to do in the energy field and they understand our special problems."

No Blows Dealt

"You didn't come to blows on anything?" Mr. Carter was asked. "No, not quite," he said with a smile, "because we had an adequate amount of time for heads of state just to be alone to discuss matters more privately."

On the practical results of the conference, Mr. Carter said that the leaders had learned that only the

future could answer that question completely.

But, in contrast to earlier summits, in which much was pledged and little achieved, Mr. Carter said: "Everyone in this conference was cautious not to make commitments that we didn't have an excellent chance to carry out."

Estimate Gap Hampers East-West Troop Ceilings

By Don Cook

VIENNA, July 19 — The 15th round of the 3½-year East-West talks on military force reductions in Europe ended here today with both sides declaring that "significant" movement had at last been made.

The Soviet Union and its Warsaw Pact allies have finally accepted that the goal of the negotiations should be to reduce forces on both sides in Central Europe to exact parity — 900,000 armed troops overall on each side, with a ceiling of 700,000 on ground forces.

But the more the NATO side examines the Warsaw Pact proposals, which were tabled five weeks ago, the greater appears to be the distance to the goal.

"The Eastern proposals contain moves of significance on certain issues and in that respect are welcome," Dutch Ambassador Wilhelm de Vos said at Hofburg Palace on behalf of the NATO side.

"The discussion of the Eastern proposals during this round has made clear that despite the narrowing of differences on principle there are some serious defects in the means proposed by the East to implement these tentatively agreed principles."

Officially, the Warsaw Pact powers say that they have 1,005,000 men under arms on the central front, but NATO intelligence says that the figure is 1,135,000. To protect intelligence sources and methods, the NATO powers have not given the Warsaw Pact allies any details of this estimate.

Central to the problem is that the two sides are nowhere near agreement on the size of existing forces in Central Europe. NATO estimates the Warsaw Pact forces to be 130,000 men higher than the figure officially released by the Warsaw Pact nations — the equivalent of at least 10 divisions. For its part, the Warsaw Pact nations have neither criticized nor challenged the figures that NATO has released for its forces, and clearly wish that NATO would oblige by doing the same.

Taking their own figures and the NATO figures, the Warsaw Pact calculates that there is a difference of 14,000 men under arms on both sides now. To get to a ceiling of 900,000, they say it would be necessary to reduce their forces by 105,000 men and the NATO forces by 51,000.

Officially, the Warsaw Pact powers say that they have 1,005,000 men under arms on the central front, but NATO intelligence says that the figure is 1,135,000. To protect intelligence sources and methods, the NATO powers have not given the Warsaw Pact allies any details of this estimate.

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Major Defeat for Carter

U.S. Controls Stripped From Hospital-Cost Bill

By Steven V. Roberts

WASHINGTON, July 19 (NYT) — A House committee dealt President Carter and his anti-inflation fight a major defeat yesterday by dismantling the administration's proposal to place a ceiling on rapidly rising hospital costs.

By a one-vote margin, the Interstate and Foreign Commerce Committee amended the administration bill and removed a provision for mandatory controls on hospital costs, which increased 16 percent last year. The remaining legislation encourages hospitals to hold down the rate of cost increases voluntarily by 2 percentage points a year.

Joseph Califano Jr., Secretary of Health, Education and Welfare, denounced the committee vote as "a defeat for the public interest and a victory for the special hospital interests."

The organized medical community, however, was pleased with the committee's endorsement of its voluntary cost-control effort, which began earlier this year.

The committee vote had important implications beyond the health field because President Carter has consistently named the cost-containment bill one of his major efforts against inflation. Mr. Califano said yesterday that the bill "remains the No. 1 unfulfilled priority now before the Congress in the fight against inflation."

But when asked whether the administration would continue to fight for the bill, Mr. Califano said, "I don't know."

The commerce committee was considered more sympathetic to the bill than the Ways and Means Committee, which also has jurisdiction over the issue, and it was be-

lieved that there was little chance now that the Ways and Means Committee would report a bill containing mandatory controls.

Cost containment has also encountered trouble in the Senate, where Sen. Herman Talmadge, D-Ga., chairman of the health subcommittee of the Human Resources Committee, favors his own proposal over the Carter plan.

Hospital Lobby

The committee action yesterday partly reflects the power of the hospital lobby, one of the strongest and most sophisticated on Capitol Hill.

The action also reflects a failure by the administration to generate support and enthusiasm for its proposals. As Mr. Califano noted, there is little incentive for hospitals to cut costs, because third parties — insurance companies and the government — rather than consumers, pay most of the bills.

Moreover, the medical community has argued that limiting costs would impair the quality of care. Organized labor also worried that hospitals would effect savings by cutting salaries.

To some analysts, the vote also signaled another step in public disillusionment with federal bureaucracy and regulation. Significantly, the committee approved an amendment providing funds for states that enact cost-containment plans.

The original administration plan would have placed a ceiling on hospital costs amounting to about a 9 percent rise in the first year.

Voluntary Program

After battling the bill for a year, the medical community announced that it would establish a voluntary program with the aim of reducing cost increases by 2 percentage points a year. Several congressmen liked the idea, and a compromise was worked out that provided for a two-year experiment with voluntary controls. Mandatory controls would have been put into effect if the hospitals did not meet their own goals.

The amendment approved yesterday, sponsored by Rep. James Broyhill, R-N.C., eliminated the provision for imposing mandatory controls.

Hospital officials say that the voluntary effort reduced cost increases by more than 3 percentage points during the first four months of this year, but Mr. Califano responded that the voluntary plan had "yet to demonstrate significance in any way."



NOT JUST SEEING DOUBLE — Actor Art Hindle, far left, poses with eight look-alikes on the set of the TV movie "Clone Master" in a Los Angeles studio. The eight, chosen for their close resemblance to Mr. Hindle, are among 13 look-alikes hired for the film.

Allegedly Signed Illegal Prescription

Carter Aide Said to Figure in Drug Case

By Lawrence Meyer and Alfred E. Lewis

WASHINGTON, July 19 (WP) — Police in Prince William County, Va., have arrested a woman from Washington who attempted to buy the drug Quaalude with a prescription allegedly signed illegally by President Carter's chief adviser on health and drug abuse, Dr. Peter Bourne.

Dr. Bourne wrote the prescription to an apparently fictitious person, law enforcement sources said.

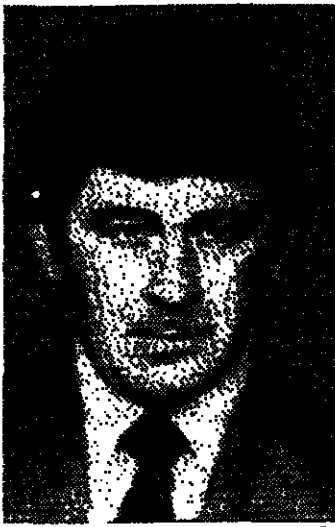
Quaalude is a potent drug used to produce sleep or sedation. Although its use is tightly controlled under federal law, it has been widely abused by narcotics users.

Toby Long, 26, was arrested July 11 after she attempted to fill the prescription for 15 Quaalude tablets at a drug store in Woodbridge, Va. Police said that the matter was being handled as a routine investigation of prescription forgery, a crime covering any prescription misrepresentation.

Questioned by Police

The U.S. attorney's office in the District of Columbia has been notified of Dr. Bourne's involvement and is receiving reports from Prince William law enforcement officials, but has not begun an investigation of its own, sources said.

Dr. Bourne, a psychiatrist who



Dr. Peter Bourne

also worked as Mr. Carter's chief drug-abuse adviser in Georgia, has been questioned twice by law enforcement officials, sources said. He could not be reached by reporters. Repeated telephone calls at his White House office and messages sent through the White House press office were not answered.

But he reportedly told police that he had written the prescription to a fictitious person to avoid embarrassing the person for whom the

drug was intended: a woman who works in his White House office.

Neither the fictitious name on the prescription nor the identity of the woman for whom the prescription was intended could be established.

Police said that Miss Long was released on \$3,000 bail. After being reached by reporters last night, she and her lawyer refused to comment.

Prescription forgery carries a penalty of one to five years imprisonment in Virginia.

Fire Hurts One At U.S. Embassy

MOSCOW, July 19 (AP) — The main power panel in the basement of the U.S. Embassy exploded and caught fire today, slightly injuring a naval Seabee construction worker, witnesses said.

John Clements suffered injuries to his left arm and electric shock while a group of Seabees was turning off the electricity to work on the generator in connection with the embassy's changeover to 220-volt power.

The embassy currently is undergoing a renovation program costing more than \$5 million after a fire last August that damaged the top three floors.

But Abortion Is Exempted in Health Insurance

House Bill Bans Sex Bias for Pregnancy

By Mary Russell

WASHINGTON, July 19 (WP) — The House yesterday passed a bill that bans sex discrimination on the basis of pregnancy and requires employers who offer health insurance and disability plans to provide coverage for childbirth, pregnancy and related medical conditions.

However, the House Education and Labor Committee added a provision that exempts employers from including abortion in their health insurance or disability coverage except where the life of the mother would be endangered were the fetus carried to term.

The bill passed by the Senate contains no abortion provision, and that issue will now have to be worked out in a joint conference.

The House bill passed by a 376-43 vote.

The abortion issue has tied up other bills in conference, particularly appropriations bills for the Labor Department and Health, Education and Welfare Department. Some feel the issue could imperil this bill.

Discrimination Seen

Rep. Ted Weiss, D-N.Y., opposed the bill on the House floor yesterday because of the abortion rider, which he said, "substitutes a

new form of discrimination for the one it seeks to eliminate."

But Rep. Edward Beard, D-R.I., the author of the abortion provision, said that it is "not taking away anyone's rights, it is just not forcing abortion down anyone's throat."

Rep. Ron Sarasin, R-Conn., said the bill "makes abortion an optional matter" since it does not prevent employees from paying for abortions, and leaves it as "a subject for collective bargaining."

The abortion rider was put into the bill at the urging of the Catholic Bishops Conference, but some anti-abortion groups opposed adding it to this bill, since they said that the thrust of the bill was to encourage women to continue the pregnancy.

Rep. Shirley Chisholm, D-N.Y., urged House members to pass the bill, even with the abortion rider,

because she said time was running out on the session and the crowded schedule might prevent any bill from passing.

The bill was drafted after the Supreme Court ruled 6-3 in a 1976 case called General Electric vs. Gilbert that disability plans did not have to cover pregnancy-related disabilities.

The court concluded that pregnancy was not gender-related but condition-related, and was therefore not discriminatory.

The bill amends Title 7 of the Civil Rights Act of 1964 which prohibits discrimination in employment on the basis of race, color, religion, sex or national origin.

It prohibits discrimination against pregnant women in any area of employment, including hiring, promotion, seniority rights and job security.

Firing Threat Cuts Strike Of Philadelphia Guards

PHILADELPHIA, July 19 (AP) — About 600 striking prison guards and 180 sheriff's deputies who faced a dismissal threat returned to work in Philadelphia today, but 19,000 other city workers continued their walkout over layoffs and wages into a sixth day.

Mayor Frank Rizzo had threatened to replace the deputies and the striking guards at the city's three prisons unless they were back on the job.

"If they are not back to work, they will be replaced, every living one of them," Mayor Rizzo said. "There will be new people hired in their place, and they'll never be back to work as long as I'm mayor of this city."

Contract talks were to resume today as most other employees — including sanitation, recreation and health workers — continued the strike that began Friday.

Police Demonstration

Meanwhile in New York, members of the Police Benevolent Association delayed delivery of today's editions of the Daily News as they demonstrated last night near the News building. The association wants a \$5,000 raise for police officers and better working conditions than the city has offered.

Association President Sam DeMilia threatened yesterday to "close down the News" for alleged "anti-police editorials" if a contract settlement was not reached by tonight. Negotiations were to resume today at the Office of Collective Bargaining.

Some Trucks Rolling

Trucks were reported rolling in some districts, but one truck driver said only enough men had shown up in his district by sunrise to form less than half of the normal 21 three-man crews.

The walkout began when workers at one yard showed up and discovered only six of their 28 trucks were working. "That kind of lit the fuse," said Patrick Koloski, sanitation director.

Mayor Ernest Morial said that striking garbage men would be paid while the trucks were being repaired. They were being worked on early today.

Monk Automaton Shown

WASHINGTON, July 9 (AP) — A late 16th-century automaton of a monk has been put on public display at the Smithsonian's Museum of History and Technology. He bows, waves and turns with the aid of a spring-powered mechanism similar to those used in Renaissance clocks. He is attributed to Juanelo Turriano, an Italian who was machinist to Emperor Charles V. Only one other figure of similar age and sophistication is known to exist, in Vienna, the Smithsonian said.

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To Quarantine Hijackers

By their nature, summit conferences are elaborately scripted in advance, and so this week's meeting in Bonn of leaders of the seven largest industrial democracies produced few surprises. The final communiqué paid homage to familiar goals — inflation-free growth, reduced dependence on imported oil, more balanced trade accounts, less abrupt shifts in exchange rates. The real test will come in translating these goals into results.

But the Bonn summit did come up with one pleasant surprise: an agreement to cut off air traffic with countries that offer sanctuary to hijacked planes or their hijackers.

It has been obvious for some time that as long as some countries are willing to offer refuge to terrorists, security measures by individual governments and airlines would be inadequate. Only if those who cooperate with terrorism are made to pay a significant price can there be real hope of suppressing the evil. The measures agreed to at Bonn have been advocated for years by airline pilots. But resolutions to isolate those sympathetic to hijackers have foundered in the United Nations because of the opposition of some Arab countries that are unwilling to condemn any

act directed against Israel. And some Western countries had been reluctant to press the point for fear of offending the Arabs.

That reluctance, at least, has been overcome. The seven nations gathered in Bonn — the United States, Britain, France, West Germany, Japan, Italy and Canada — can by themselves injure any nation's economy by suspending air traffic. But it is likely that other governments will join in. Because the Bonn agreement was not on the summit agenda — it came out of meetings between the prime ministers of Japan and Canada — details of how the boycott will operate remain to be developed; the most difficult problem is how to coordinate any decision to impose sanctions.

Once such mechanisms are agreed upon, it would be useful to spell them out in a formal treaty that others can sign. With each additional signature, the safeguards against hijacking will grow stronger. There will always be people ready to run great risks to dramatize a desperate cause. As the Bonn meeting recognized, they must be quarantined.

THE NEW YORK TIMES.

U.S. Seabed Mining

For years U.S. negotiators warned that Congress would only foul up the Law of the Sea talks if it went ahead on its own with legislation to license deep-seabed mining by U.S. firms. But the LOS conference, while making headway on other ocean issues, has come up dry on seabed mining. Land-based producers of the minerals found under the oceans have sought to restrict competition, and Third Worlders have demanded an unacceptably large share of the rights, revenues and technology of seabed mining, an activity that few countries are currently in a position to conduct.

The result is that, with the LOS conference lagging and the U.S. companies (and consortia) itching to go, the administration now supports legislation. Far from fearing that this will upset the LOS talks, it now feels that the sort of law likely to emerge will concentrate the conferees' attention and help the talks along. From what we understand of the two processes (legislative and diplomatic), we agree.

The House bill, already worked over by four committees, is due to come to the floor this week. A tough turf fight looms over which agency, and therefore which committee (Merchant Marine or Interior), should regulate ocean mining; on that question we pass. There are a few other points still in contention. But most points represent a House consensus, one largely shared by the administration.

Indeed, by agreeing that legislation was appropriate, the administration got to help shape it. That meant removing from early

drafts an unconscionable investment guarantee of up to \$350 million per company if the loss was due to ratification of an unfavorable LOS treaty. The administration also lobbied successfully to have the law set up, from the companies' seabed proceeds, a fund for the international community — a bow to the concept that the seabed is the "common heritage" of mankind.

Some LOS buffs see a treaty principally as a vehicle and model of international cooperation. Believing that any nationally authorized seabed mining is harmful, they would put off all mining until the world agrees on how it should be done.

But that goes too far. Experts agree that existing international law governing the high seas assures U.S. firms a right of access to the seabed. The House legislation would not confer sovereignty on U.S. sites. It would be superseded by a LOS treaty. It provides for revenue sharing with nonmining states. It sets up useful environmental and conservation controls.

The LOS talks, currently in recess, resume in New York on Aug. 21. The House will probably have acted by that time, and the Senate will be gearing up. Some harsh words will doubtless be said in New York about the Congress. But the international community should keep in mind that the legislation, while asserting an U.S. interest, has been designed to preserve an international interest, too. It is, moreover, probably the minimal price that must be paid to ensure ratification of an eventual LOS treaty.

THE WASHINGTON POST.

International Opinion

A European Currency

Politicians, who have been understandably in favor of maintaining the impetus of the European Economic Community, now have the additional motive for trying to create a monetary union based on strong currencies, namely the wish to find some answer to the present chronic instability of the foreign exchange markets. The position that Chancellor Schmidt took at Bremen is strongly influenced by his concern that the weakness of the dollar and the speculation in the West German Deutsche mark and other currencies is causing severe problems for the West German economy. Real advantages would indeed flow from the growth of monetary stability in Europe. Under existing political and economic conditions in the EEC, however, it is unrealistic to believe that these advantages can be achieved through technical cooperation at the level of central banks and the pooling of gold and currency reserves, no matter how large a scale.

— From the Times (London).

Moscow's Weak Spots

Anyone who thought the Helsinki agreements would stop the Russians from persecuting dissidents was nursing an illusion from the start. But why did Moscow decide on this particular moment to fire a shot across President Carter's bow in the form of the brutal, lying inhuman trials that have just ended? The answer probably involves the situation inside the Soviet Union, where there have been a number of recent signs of dissatisfaction among minorities. Moscow must have felt that things had gone so far that the whip must be cracked. But people who find it necessary to react so hysterically to demands for basic human rights merely demonstrate

how insecure they are — always provided that the free Western countries retain their standards and their resolve never to let themselves be subjugated by force.

— From the Neue Zürcher Zeitung (Zurich).

U.S. Journalists in Moscow

The Soviet government's action against the two U.S. journalists is more abnormal than its persecution of dissidents. The authorities allowed them to go home on holiday before the verdict. Thus the effect is the same as an expulsion. So why did the authorities go through the motions of a court case?

One reason may be that the Helsinki Final Act contains a very specific section on improving working conditions for journalists. A veneer of legality may have looked like a way of getting around this. But the effect is still to serve notice on Western journalists in Moscow that they must not even quote other people as doubting the truth of a Soviet television program. Such a drastic limitation of ordinary journalistic practice is at least as much a breach of the Helsinki undertaking as a traditional expulsion.

We must disregard the method and merely assume that the Kremlin leaders have been working out as many ways as possible of challenging Mr. Carter, trying to show that he cannot do anything concrete to help dissidents, and telling him that he can have detente only on Soviet terms or not at all.

Mr. Carter cannot accept these terms, so the struggle will continue. Meanwhile, the Soviet leaders should ask themselves two questions: Who really damages Soviet interests, the dissidents or the people who persecute them? And has anyone really thought of the consequences of making it impossible for Western journalists to work in Moscow?

— From the Times (London).

In the International Edition

Seventy-Five Years Ago

July 20, 1903

NEW YORK — The expulsion from Paris of Luigi Parmigiani, the Italian anarchist and soldier-of-fortune, has resulted in the realization here that Louis Marcy, the so-called brother-in-law of the Spanish painter Leon y Escosura, was none other than Mr. Parmigiani. The fact has caused a certain measure of embarrassment here, as "Mr. Marcy" was almost named a patron of the Metropolitan Museum of Art by the officers of that institution.

Fifty Years Ago

July 20, 1928

LONDON — The use of lead injections for treating cancer patients became the subject of heated discussions today at the Cancer Congress here. Professor Blair Bell of Liverpool University, who has administered many of the treatments, read a paper in their defense, claiming that they had at times been successful. Dr. J.P. Blume, of London, claimed that they generally caused patients to degenerate into physical wrecks.



Running Out of Food and Time

By Jonathan Power

ROME — The world is running out of food — or food it can afford to buy. This information is probably a surprise to the farmer of the U.S. corn belt, the world's most productive granary, as he worries about low prices and piling surpluses.

It is probably a surprise to the farmer of the Soviet Union who, although he never seems able to meet the targets of the central planners, has managed to keep his country's deficit within reasonable proportion in the last two years.

Ironically, it will come as the biggest surprise to those who use India as a litmus paper for the Third World. The Indians, thanks to miraculously good weather the last three years but also to hard work and studious inventiveness, appear to be on top of the food problem.

Deceptive

All this, however, is deceptive. Over the last seven years, in 62 countries representing 43 percent of the developing countries (excluding China), food production has not kept pace with population.

The food crisis of course is no new thing. It has been with us since the days when the serpent tempted Eve to eat the apple. In modern history, the Irish famine of 1847 and the Bengali famine of 1943 have carved memories so deep that books are still written about them and plays and films paraphrase the suffering.

More recently, it was the world's food crisis of 1974 and 1975 that put hunger on the political agenda. At the World Food Conference in Rome in November, 1974, all the nations of the world voted unanimously to support Henry A. Kissinger's resolution: "By 1985 no child should go to bed hungry." A word more about what happened then, for it sets the scene for the situation today.

Out of Reach

A combination of consecutive bad harvests around the world, massive Soviet buying of U.S. food stocks, the disappearance of the Peruvian anchovy and shortsighted policies in the United States that kept farmland idle, created a situation that led to the quadrupling of grain prices.

Millions of poor people in the

Third World found that the prime necessity of life was priced out of reach. Maybe half a million died. The World Food Conference, held fortuitously at the midpoint in the crisis, agreed to a number of remedies: the creation of a new \$1 billion fund for agricultural development; a pledge to establish better procedures for emergency food aid and an internationally coordinated system of food stocks.

The conference also shook up the world's largest grain exporter, the United States, and the world's largest grain importer, the Soviet Union, criticizing their shortsighted commercial policies. A year later they responded by signing an agreement setting limits on Soviet freedom to purchase in the U.S. grain market.

All this, together with the return of good growing weather and the seeming Indian breakthrough, took the edge off the international debate. Yet an agreement to establish an internationally coordinated system of nationally held food stocks is still being haggled over.

The 10-million ton target for international food aid is still unaccomplished. But worse than this, it has removed the political spotlight from the underlying trends in much of the Third World.

This year's cereal imports by the Third World are expected to achieve record levels. The very poor countries, if they are to make ends meet, will have to increase their imports by 16 percent over last year.

Today the gross food deficit is 36 million tons of grain. By 1990, based on present trends, it will be 120 to 145 million tons a year.

These figures are the consensus figures of the United Nations Food

The International Herald Tribune welcomes letters from readers. Short letters have a better chance of being published. All letters are subject to condensation for space reasons. Anonymous letters will not be considered for publication. Writers may request that their letters be signed only with initials but preference will be given to those fully signed and bearing the writer's complete address. The Herald Tribune cannot acknowledge letters sent to the editor.

Letters

Flying Finn

David Dupree wrote that "no runner in the modern era has held more than two universally recognized world records at one time. Rono has four" (IHT, July 7). He is mistaken. Paavo Nurmi, the Flying Finn, held five world records at the same time, in the 1,500 meters, the mile, the 3,000 meters, the 5,000 meters and the 10,000 meters. He also held at the same time the 2-mile world record but since this distance is seldom run these days (although there is still a recognized world record) one can disregard it in this context. But Henry Rono has still a long way to go before he can displace Paavo Nurmi as the greatest runner of all times.

KURT JANSSON, Callian, France.

Myths Die Hard

William F. Buckley Jr. is quite right when he says (IHT, July 10) that "in Greece, myths about the United States die hard." However, the question that comes to the mind is: How did these myths get born? I think, and perhaps Mr. Buckley will agree with me, that the U.S. passivity during the Cyprus crisis in 1974 was an open invitation to interpret the U.S. position as a benevolent acceptance of the fait accompli of the Turkish invasion. Also, the unfortunate plurality of U.S. foreign policies led, during the colonel's regime in Greece,

to a constant stream of U.S. brass visiting Greece and praising the colonels. These highly visible signs of approval obliterated in the minds of the Greeks the embargo on shipments of arms to Greece.

The present problem is how to lay these myths at rest, how to convince the Greek people that the United States does not favor international destabilization in Greece, nor the perpetuation of Turkish military occupation in Cyprus, nor any expansionist designs of Turkey in the Aegean. Turkey is certainly an important part of the Western defenses. But so is Greece, and Turkish defenses are valueless if Greece places herself out of the Alliance, whether nonaligned or hostile. Therefore it would seem good advice to U.S. policymakers to give a lot more attention to Greece and to try hard if not to dispel those old myths, but at least to create new realities, which would allay the fears many Greeks share, namely that U.S. policy is tilted towards Turkey.

CHRISTOS KOSKINAS, Salonika, Greece.

Pursuit of Learning

The Washington Post editorial "Life, Liberty and So Fourth" (IHT, July 5) includes in its evaluation of the "pursuit of happiness" the notion that Americans today are able to "pursue an education as far as one wishes." This is, as thousands of Americans too well know,

and Agricultural Organization, the World Food Council and the World Bank. The latter in a recent report concludes: "Continual imports of this magnitude cannot be financed." It could be added, neither can charitable exports.

Solutions

There are, in short, only two solutions: either demand is checked off by higher prices — this, of course, means a sharp increase in malnutrition and mortality — or the world sets about a significant program of investment in Third World agriculture to repeat on a broader scale what has been successfully done in China, Taiwan, Korea and maybe in India too. This means vigorous land reform and priority for the small farmer, the world's most tested productive unit.

If this is done, and it is backed by a reasonable amount of emergency food aid and even out of prices through a world stocking system, mass hunger and starvation can become the ghosts of history.

The commitment made for mankind by Kissinger can still be redeemed, but the time left to do it, short enough in 1974, is nearly gone.

All Games and No Gulag

By George F. Will

WASHINGTON — Summer has come to Washington, disgust with the Soviet Union has come into season, and many people have come to the conclusion that the United States should boycott the 1980 Olympic Games in Moscow. Two things are certain: The idea is excellent, and nothing will come of it.

Tomorrow, when fashion has changed, and the television lights are illuminating another passing fancy, and the strangled cries from Moscow are yesterday's news story, the issue will be left to NBC and the U.S. public. NBC has paid Moscow \$80 million for broadcast rights, and the public loves the games.

ABC's ascent to leadership in the ratings began with the Montreal Olympics, and an internal memorandum NBC promises that by 1980, "We will have turned the American people into a nation of Olympics addicts." Already the aroma of manufactured patriotism floats like a benediction over the Moscow games.

Two years from now, for the second time in 44 years, the Olympics will open under the auspices of an anti-Semitic and totalitarian regime. With \$80 million, NBC has made itself a partner of that regime, and a hostage. That regime is determined to use the 1980 Games as the Nazis used the 1936 Berlin Olympics to present a benign image of a nation that is all games and no Gulag. NBC is not apt to be uncooperative in dealing with a regime that can pull the plug.

Here is NBC's sporting partner: In 1973, when an Israeli basketball team was in Moscow for the World University Games, the audience was packed with Soviet army recruits who shouted anti-Semitic abuse and beat up some Jewish spectators. The Soviet Union will invite 2,000 athletes to Moscow for

Carter Is Given A Failing Grade

By William F. Buckley Jr.

NEW YORK — The ongoing attempt to understand Jimmy Carter continues, but one has the feeling that it is done mostly out of a sense of professional obligation. Richard Nixon emerges from nowhere and makes a trip to nowhere and suddenly all the lights in the city room go on again, and there is feverish activity, and even Nixon's undertakers, in their hearts, lust after the old days.

Abroad, people ask visiting Americans for an explanation of Carter, which, after repeated experiences, stiffens the back of the addressee: as if, having once admitted that you were ignorant of mechanics, every few minutes you are asked to diagnose somebody's engine. Nobody knows what to say about Carter, and he is not very good at explaining himself. It is conceded about him that he is intelligent, self-disciplined, permissive, accessible, articulate, patriotic, religious, and, on the whole, incompetent. But having said this, one is obliged to answer the question — and this is more difficult — what is a competent president supposed to do?

Confusing

Carter is very confusing, but that is the intellectual lifestyle of the successful politician, like Roosevelt promising to keep the United States out of war, Nixon promising to conclude honorably the Vietnam war, Eisenhower warning against the military-industrial complex while his successor bemoans the missile gap. Carter is the first president who appears willing to intellectualize his contradictions, to rationalize the paradoxes he feeds in the course of the typical day.

For instance, he recently told Time magazine that the key to understanding him is that he desires to bring in the public, so that we may participate actively in government, in order that the government, in the summary of the Time interviewer, be "included in the decision-making process." Does that illuminate matters? The president's only major victory after 18 months in office was the Panama Canal Treaty. But he won that one not by convincing the public, but by promising personally to go and fix the leaky faucets of about 12 critical senators, any time, day and night, just call him. Well then, did he permit the public to look in on the decision-making process over the Panama Canal? The answer is no, he did not. The public's opposition to the Carter treaty was largely the result of its not having been kept apprised of how many points our representatives were scoring in their meetings with Panama's negotiators.

Carter goes on: He stays especially close to congressmen, because these are the people who are themselves close to the U.S. people.

Compared to his predecessor, he says, he is practically a member of Congress. Which if we understand his reasoning, means that the people, through Congress, and in turn the president, reach decisions together.

But, somehow, it ends up meaning exactly the opposite. We have a Democratic Congress about to pass legislation on major issues the president opposes. What will he do? "I think this year," he explains, "is going to see a good many disputes resolved — only through the veto process." Oh! We used to call that *force majeure*, but Carter calls it letting the public participate in the decision-making process, and that is confusing.

What other accomplishments, besides Panama? No inflation, that's going very badly. No energy bill. No SALT treaty. Ah. "We have strengthened our ties with the Arab moderates." That's true, though the Arab moderates changed their world image as a result of a single airplane trip undertaken by Egypt's Anwar Sadat to Jerusalem last fall, and this wasn't Carter's doing. The Arab states are understandably concerned by the progressive encroachment of the Gulf by Soviet clients, and this makes the Arabs more dependent militarily on the United States which, however, is responsible in the first instance for letting the Soviet Union make the headway that threatens the Arab states that causes them to try to qualify for the strategic good offices of the United States. That's one way to bring about moderation.

Specific

Carter, however, gets specific: "There were [i.e. pre-Carter] some elements of a potential peace settlement that had never been publicly debated: Israel withdrawal from occupied territories," for instance. But in fact these were debated beginning about 24 hours after the 1967 war; and by the end of that year, the UN Security Council unanimously backed the jarring resolution calling on Israel to return the conquered territories. Israel said it wouldn't, but for 10 years the territories in question were kept pretty well detachable in the event peace terms were agreed upon. Since Carter, the debate has continued on the matter of the territories, the difference being that Israel's government has settled parts of these territories, making it more difficult to pursue fruitful negotiations.

Human rights? Helsinki has proved to be the Munich of our human rights policy.

What have the people done in recognition of Mr. Carter's qualities as president? They have given him a negative vote of confidence unmatched in the history of U.S. polls for an 18-month president.

pre-Olympic games in 1979, but it hints that athletes will not be invited from "unfriendly" nations unless those athletes are extraordinary.

The Russians have asked the International Olympic Committee to ban reporters representing organizations "hostile" to the Olympic "spirit of peace and friendship." The Russians have in mind, among others, reporters from the Voice of America and Radio Liberty. The Russians know how little they have to fear from the Carter administration as from NBC.

The "spirit of peace and friendship" is currently on display in the Philippines at the world chess championship. A Soviet player is opposing a player who escaped from the Soviet Union and now lives in Switzerland. It is traditional to have flags next to each player at the table.

But the Soviet player and his entourage objected to his opponent displaying the Swiss flag. The chess federation's "compromise" was that no flags would be displayed on the table. But the hall is decorated with a Philippine flag and a Soviet flag.

The Soviet Union pushes, around the world, in matters large and small. The rest of the world smiles the nervous, twitching smile characteristic of people who struggle to be ingratiating but who know they are, and ought to be, despised.

Winston Churchill, defying the Nazis, growled contemptuously: "What kind of people do they think we are?" What kind of people do the Russians think we are? Olympics "addicts," presumably. What would we do (people used to ask in the immediate aftermath of the Nazi experience) if we faced another aggressive, anti-Semitic totalitarian regime? The answer is: Play games, with it.

JPL 101-50

Treaty Expected

U.S., Mexico Join Forces On Probing Corruption

By Alan Riding

MEXICO CITY, July 19 (NYT) — The United States and Mexico have begun working together on the investigation and prosecution of corruption by businessmen and officials from both countries.

In addition, Mexico is expected to agree shortly to a long-standing U.S. request for a bilateral treaty "for mutual assistance in the administration of justice" to formalize the new practice.

The partnership between the two justice departments reflects a sharp improvement in U.S.-Mexican relations since President Jose Lopez Portillo took office 18 months ago, although both administrations now have a special interest in striking at corruption that involves both sides of the border.

The United States is looking to Mexico and other foreign governments to assist in the enforcement of the 1977 Foreign Corrupt Practices Act, which makes it a criminal offense for U.S. companies to bribe foreign officials. Mexico has started a general drive against government corruption and wants access to information gathered in the United States.

The bilateral treaty — it will be Mexico's first such agreement, although the United States has similar accords with other governments — will provide for exchange of information on crimes as varied as the theft of aircraft or vehicles, gun-running and murder. But the immediate interest of both governments is international corruption.

Evidence of U.S. willingness to treat Mexico's system of justice with increased respect was shown

recently in the decision to extradite to Mexico two Cuban-born citizens of the United States who had escaped to Miami from jail in Merida, where they had been serving sentences for the murder of a Cuban diplomat. This was the first time the United States had cooperated in the extradition of U.S. citizens to Mexico.

Earlier this year, a former Mexican official, Alfredo Rios Camarena, was extradited from Miami after he had been accused of embezzling government funds while running the Bahia de Bandera tourist development trust on the Pacific Coast.

The two most important current cases of U.S.-Mexican cooperation, however, involve the exchange of information. In one, the McDonnell Douglas Corp. is being investigated by the U.S. Department of Justice for reportedly approving bribes to Mexican officials before the sale of two DC-10s to the government airline, Aeromexico, in 1975. Part of the case against McDonnell Douglas has come from Mexico, while much of the evidence against the Mexican officials was provided by the U.S. Department of Justice.

In the other case, a tip from Mexico started an investigation of whether four U.S. coffee-importing companies were involved in smuggling Mexican coffee into the United States. Several former executives of the Mexican Coffee Institute are now in jail, and U.S. officials hope that this will be the first case brought under the Foreign Corrupt Practices Act in the United States.

This cooperation has sent shudders through Mexico's chronically corrupt bureaucracy because deals with U.S. companies and money sent to U.S. banks should now be traceable.

But, perhaps more than anything else, the current nervousness stems from the determination of Mexico's new attorney general, Oscar Flores Sanchez, to call to account politicians who have enriched themselves in office.

So far, three former Cabinet members and dozens of other officials have been jailed on corruption charges, and several hundred others suspected of corruption have been dismissed.

"I'm not interested in a witch hunt," Mr. Flores Sanchez said in a recent interview, "but people have to know that they can't steal with impunity. This isn't politically motivated. I'll pick up anyone that I have proof against."

Costa Rica Bars Vesco Petition

SAN JOSE, Costa Rica, July 19 (Reuters) — Fugitive U.S. financier Robert Vesco's bid for Costa Rican citizenship has been rejected by the naturalization board in a move that apparently ended his hopes of being allowed to return here.

Mr. Vesco, wanted in the United States on fraud and embezzlement charges, is traveling abroad on a 75-day permit granted by a Costa Rican court against a \$40,000 deposit.

The naturalization board said this week that it turned down Mr. Vesco's citizenship petition because of his intervention in local politics. The board also cited public opposition to Mr. Vesco's request.

In Visit to Mao Mausoleum

Canadian Family Slips Up On Chinese Dress Rules

By John Fraser

PEKING, July 19 — For many visitors to Peking, the brief tour of Chairman Mao Tse-tung's mausoleum in Tien An Men Square is considered an important highlight. For a Canadian physician and his family, however, the visit had decidedly burlesque overtones.

Dr. Yvon Vaillancourt is a general practitioner attached to the Canadian commission office in Hong Kong. He makes regular trips to Peking to see Canadian Embassy patients and, since he is about to

take a new posting in Africa, he made arrangements to bring some family members along on his last trip to China.

A visit to the mausoleum was scheduled for 9 a.m., so the doctor and his wife, along with his in-laws and 17-year-old brother, Francois, arrived punctually to view the remains of Mao.

Unfortunately, nobody had told the Vaillancourts that there were strict clothing regulations at the mausoleum. Consequently, when a Foreign Ministry official and their tour guide noticed Mrs. Vaillancourt's modest, long shorts, they told her she was not dressed decently enough to enter.

Peticoat Suggested

Since she had seen Mao's remains on a previous trip, she was not too concerned and prepared to remain outside. Her mother, however, suggested, "Why not wear my petticoat?" After a short official parley, permission was granted. Dr. Vaillancourt's mother-in-law removed the slip from under her skirt and passed it along to her daughter. As the group headed toward the main entrance of the building, the official then noticed that Francois also was wearing shorts. "Not decent," he said. "All right," Dr. Vaillancourt said, "we can take our taxi back to the Peking hotel [one long block away] and get him some trousers."

"Not possible," the tour guide said. "This taxi has been given instructions to take you to the Summer Palace next and it cannot go back to the hotel."

At this point, Mrs. Vaillancourt noticed that the guide was carrying a plastic raincoat, so she asked him if he would lend it to Francois so he could cover up his knees.

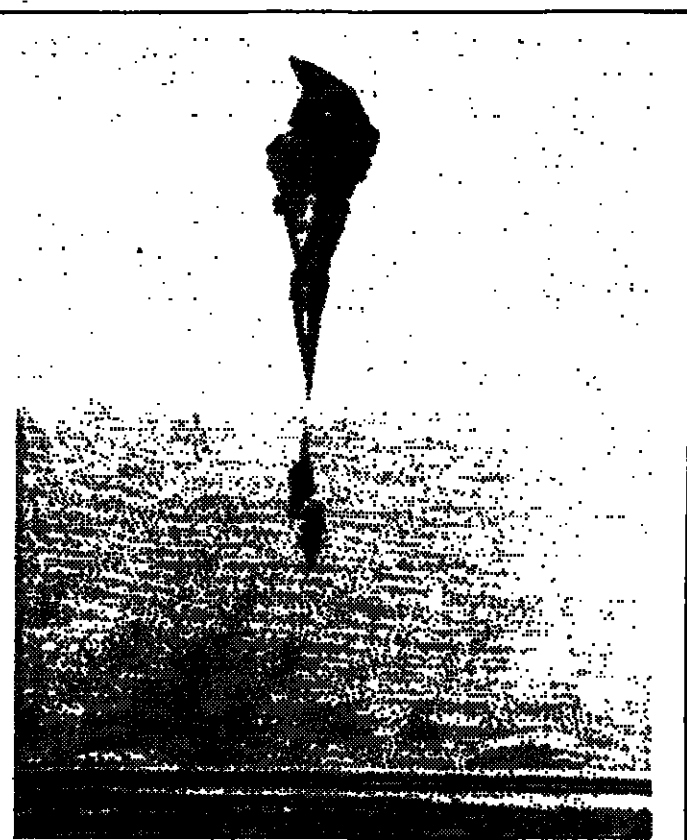
"But a raincoat is personal property," said the guide. "This is my own coat and besides it is raining at all and so it would not be appropriate to wear it."

Mrs. Vaillancourt then asked if it would be permissible for Francois to wear the slip into the mausoleum and she would stay outside. "Yes," the official said, "that would be acceptable." And Francois, thus attired, was able to view the remains of Mao.

—The Globe and Mail

New Zealand Hurricane

AUCKLAND, New Zealand, July 19 (UPI) — A hurricane killed at least one man, pushed a train off a bridge, and damaged almost a hundred houses in several small towns about 80 miles southeast of here. The man drowned in the Bay of Islands while trying to secure a barge to a tug.



Two paratroopers near ground after becoming entangled and collapsing their chutes at Fort Bragg, N.C., Tuesday.

2 U.S. Paratroopers Injured After Lines Tangle at 600 Feet

FORT BRAGG, N.C., July 19 (AP) — Two paratroopers were injured, one seriously, when they collided and their parachute lines tangled during a mass jump yesterday before ROTC students and Secretary of the Army Clifford Alexander.

Spec. 4 Kenneth Darnell, 19, of Yanceyville, N.C., was listed in serious condition at Womack Army Hospital. Spec. 4 Jarvis Johnson, 19, of Red Springs, N.C., was listed in good condition. Both are members of the 82nd Airborne Division.

The two were among 600 soldiers participating in a demonstration jump for ROTC students graduating today from summer courses at Fort Bragg. Mr. Alexander had been invited to meet the ROTC students and to watch the jump.

Officials said that the jump was made at about 1,200 feet and that the two soldiers collided at about 600 feet. They were unable to untangle the lines and the parachutes deflated partially, causing them to drop faster than in a normal jump.

Cruise-to-Nowhere Liner Tied Up by Unpaid Crew

NEW YORK, July 19 (AP) — More than 80 crew members aboard the cruise ship America are refusing to leave the docked boat until they are paid thousands of dollars in back wages.

In the latest wave of trouble to hit the ship since passengers forced a "Cruise to Nowhere" to turn back on July 1, the crewmen — many of them Jamaicans who paid their own way here to get the jobs — vowed to stay aboard until they get their money.

A spokesman for Venture Cruise Lines, Inc., which owns the ship, reportedly told the crew yesterday that they had to leave so the ship could be moved to dry dock for repairs.

"We told him we want the money before we go," said one waiter who said he had been paid only \$55 since starting work about three weeks ago. "We don't trust them."

Venture reportedly offered to fly crew members back to Jamaica and settle accounts there later. Capt. John Tourvas said, "The company has made all the arrangements to send all the crewmen back to their countries."

But while Venture's offer was accepted by some crew members after a representative of the Jamaican consulate visited the ship, other crewmen called the offer a "big ripoff."

"Lots of us left jobs in Jamaica to take this," complained a cleaner who said he was owed about \$500. Another crewman said he had borrowed money to make the trip.

The ship's owners have been ordered to make refunds to about 250 passengers who complained of toilets that did not work and other unsanitary conditions, and forced the "Cruise to Nowhere" to turn back.

The vessel also was assessed customs fines totaling \$439,000 due to the disrupted cruise, and the U.S. Public Health Service assigned it one of the lowest sanitary ratings ever given a cruise ship.

Meanwhile, in Washington, the U.S. government opened three bids yesterday for the idled luxury liner United States and rejected them all, thus leaving the 950-foot ship in storage at Norfolk, Va., at a cost to taxpayers of \$45,000 a day. Spokesman John Swank of the U.S. Maritime Administration, which owns the ship, said that none of the offers met criteria the agency had established when bids were invited in April.

The 1,982-passenger liner was bought by the government in 1973.

Losing Bolivian Begins Protest

LA PAZ, Bolivia, July 19 (AP) — Former President Hernan Siles Zuazo, one of six defeated candidates in the July 9 presidential elections, began a hunger strike yesterday, claiming that the vote count was a "gigantic fraud."

Mr. Siles, 69, who was president from 1956 to 1960, started his protest in the La Paz office of the Vatican's diplomatic representative and said he would not eat "until the end" if the military government refuses to "respect the popular will."

The election was won by Gen. Juan Pereda, who had the backing of the rightist military regime of President Hugo Banzer, which has ruled Bolivia for seven years. Gen. Pereda is scheduled to take office Aug. 6 for a four-year term and the newly elected Congress is to be installed the same day.

Some in Bern Term Ambassador 'Embarrassment'

Hard-Sell U.S. Envoy Gets Mixed Notices

By Paul Hofmann

BERN, July 19 (NYT) — In a mimeographed newsletter "To My Pen Pal" at home abroad, Marvin Warner, U.S. ambassador to Switzerland and a newcomer to international diplomacy, declared recently, "We are not the largest embassy in the world and we are not the smallest; we just want to be the best."

Mr. Warner, 59, an Alabamian who made a fortune in Cincinnati real estate and other business ventures and has served as a successful fund-raiser for the Democratic Party, says that his main task is to drum up new business for the United States in this small but rich country. His backslapping, hard-sell efforts and his occasional departures from decorum are receiving mixed notices.

"He has brought a whiff of fresh air to a staid city that badly needs it," said Austrian Ambassador Hans Thälberg, after a buffet dinner at Mr. Warner's residence where hot dogs flown from New York and popcorn were served. "Of course there will always be some stuffy shirts who don't like that sort of thing."

'A Slight Embarrassment'

"The American community in Switzerland is more sophisticated than the bustling ambassador," said a Swiss who is prominently engaged in commerce with the United States. "Mr. Warner is a slight embarrassment — but don't name me. We have to work with him."

At a recent London meeting of U.S. ambassadors in Europe and Canada there was stony silence, according to participants, when Mr. Warner urged his colleagues to follow his example in promoting trade and cutting embassy expenses and staff. Career diplomats with long experience abroad do not like to be told by an outsider how to conduct foreign relations.

Washington sources say that Mr. Warner's frequent and long cablegrams to the State Department cause some bafflement among officials there. In a typical report, it seems, he detailed the views of his luncheon guests regarding problems of global strategy.

Then there is the affair of Mr. Warner's walkout from a diplomatic dinner when a visiting White House secretary whom he was escorting was not seated. The incident occurred in November, a few weeks after Mr. Warner began his

mission here, and it is still being embroidered upon on the diplomatic circuit. The Swiss press, with typical discretion, has never printed a line about it.

The scene was a hall in a sumptuous hotel, where the diplomatic corps held a formal annual banquet to the government of the Swiss Confederation. The envoy of the pope, the apostolic nuncio, acts as the host in his capacity as dean of the diplomatic corps. Mr. Warner, who is divorced, appeared with Susan Clough, a secretary of Presi-

dent Carter, and asked that she be assigned a seat. When his request was refused he and his guest left.

"Even if the ambassador had come with Mrs. Carter, we couldn't have accommodated her," said the chief of protocol of the Swiss government, Paul Gottret, with a chuckle. "The rule is that only wives of mission chiefs may attend. Warner isn't a career diplomat. He made a small mistake. Who doesn't?"

Asked about the walkout, Mr. Warner seemed pained that the af-

fair had been brought up and declined to comment.

He was more forthcoming about what seems to be an almost single-handed campaign to "boost" the United States in Switzerland and to increase the flow of investment money and affluent tourists from Switzerland to the United States.

He leafed through a sheaf of letters from state governors praising him for organizing a get-together of their development representatives and Swiss business leaders. Other testimonials were from U.S. concerns welcoming his attempts to help them find new markets.

Every now and then Mr. Warner spoke into an intercom to order more material from his aides. The intercom, linking him with most of the nearly 100 embassy employees, is one of his innovations. Another can be seen at the Zurich airport. After some arm-twisting by Mr. Warner, the Swiss authorities have permitted a sign in the reception area that says: "Welcome Americans — For American Embassy Service, Call . . ." and a number.

The ambassador, in his newsletter, said, "We are the only embassy in the world that advertises."

In an interview, he said that before being given the Bern post he discussed with Bert Lance, then President Carter's director of the Office of Management and Budget, what he had wanted in the first place — perhaps the United Nations or London. He was one of the noncareer nominees for ambassadorships whom the American Foreign Service Association, a sort of union of professional diplomats, criticized as poorly qualified. His selection for Bern was supported by Sen. John Sparkman, D-Ala., who has known him for years, the senators from Ohio, Howard Metzenbaum and John Glenn Jr., both Democrats, also backed the nomination.

Mr. Warner was asked in the interview what he thought of those who contended that his conventional-style promotion might be appropriate in some countries but unsuitable in Switzerland. The envoy, who earns \$47,500 a year, replied that a mission chief costs the taxpayers several hundreds of thousands of dollars in salary, allowances, residence costs, security measures and other perquisites and ought to earn his upkeep by going all out for U.S. business. "I don't care about nuances," he added.



YES SIR — Sir Frederick Laker makes smooth takeoff outside Buckingham Palace after he was made a knight bachelor at Queen's Investiture for his fare works — Laker Airways' pioneering in bargain transatlantic air fares.

Russian Blocked From UN Post

GENEVA, July 19 (UPI) — The

United States and Britain have succeeded in blocking the appointment of a Soviet intelligence officer to the sensitive post of personnel director for the United Nations at its European headquarters in Geneva.

diplomatic sources said today. Geli Dneprovsky, a UN official in New York and with the UN for more than 12 years, was to have taken the Geneva post last Saturday. It would have given him access to confidential files.

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Important figures from the Consolidated Balance Sheet at December 31, 1977 and 1976

	in millions of DM	1977	1976
Total assets		97 657	84 980
Total lending business		74 783	67 529
Loans extended on bills		4 389	3 957
Claims on customers		33 759	30 803
Mortgage bank lendings		21 667	18 449
Loans and advances to banks		4 682	4 057
Guarantees		10 286	10 263
Bonds		3 662	2 874
Other securities		1 595	1 324
Deposits by non-bank customers		68 877	60 831
Demand deposits		9 553	8 198
Time deposits		21 382	19 228
Savings deposits and savings certificates		16 346	14 994
Liabilities in the mortgage bank business		21 596	18 411
Capital and reserves		2 868	2 688
Capital		799	790
Published reserves including items resulting from consolidation		2 069	1 898

The complete Annual Statement of Accounts at December 31, 1977, audited by Treuhand-Vereinigung Aktiengesellschaft, Frankfurt/Main, was published in the Bundesanzeiger No. 94, of May 23, 1978.

EA 8

Dresdner Bank Bank with imagination

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Arts Agenda Around Europe

The Ivory Glitter Festival, being held this year through July 26 at Menton, France, includes appearances by the dancer-choreographer Carolyn Carlson, Oscar Peterson, Count Basie and his big band, and closes with a *fete au village* with the Agrupacion Musica de Buenos Aires and all the artists at the festival, including Leo Ferre and Gitis.

A series of performances of "Giselle" in the Paris Opera production staged by Alicia Alonso, will run from July 19 through 29 at the Palais des Congress in Paris with Ghislaine Thesmar, Florence Clerc, Dominique Khaloui, and Noella Ponsot sharing the title part and Michael Denard, Charles Jude, Jean-Pierre Franchetti and Cyril Atanassoff the role of Albrecht.

A series of concerts in Burgundy by artists of the School of Orpheus includes string trios by Mozart and Beethoven on July 23 and Renaissance and baroque music (along with a Berio work for recorder) July 30, both at Saint-Pere-sous-Vezelay, and sonatas by Bach for violin and viola da gamba, with harpsichord, on Aug. 4 at Radilly, 5 at Chateau Censor and 6 at Saint-Pere.

The 12 Montreux Jazz Festival in Switzerland, which continues to July 23, includes an exhibition of paintings on jazz musicians and subjects by the American artist Larry Rink. A total of 25 of his works are being shown in the musician's lounge at the Montreux casino.

Among current and forthcoming exhibitions in West German museums and galleries are: Aristide Maillol, Kunsthalle, Baden-Baden (to Sept. 3); Andre Masson and Hans Voss, Kunsthalle, Bremen (Aug. 6-Sept. 30); "Ber-



Michael Denard and Ghislaine Thesmar.

lin — Landscape of a City," Landesmuseum, Dusseldorf (to Aug. 6); "Gods and Pharaohs," Villa Huegel, Essen (to Sept. 17); Art Weeks, Kunstverein, Hamburg (July 20-Sept. 3); Marc Chagall, Haus der Kunst, Munich (Aug. 5-Oct. 15); Honore Daumier, Landesmuseum, Muenster (to Sept. 3); and "Durer's Teachers," Albrecht Durer Haus, Nuremberg (to Sept. 24).

New productions for the 1978-79 season by the Royal Opera in London include the first performances at Covent Garden since 1888 of Meyerbeer's "L'Africaine," with Grace Bumbry and Placido Domingo in the principal roles, Peter Maag conducting, and a production by Franco Enriquez and Fiorella Marianni borrowed from the Maggio Musicale of Florence. Others are of Mozart's "Magic Flute," with Colin Davis conducting;

Wagner's "Parsifal" with Sir George Solti conducting and Terry Hands as stage director, and the first performances at Covent Garden of Wagner's "Tristan und Isolde," which will open the season on Sept. 11, and "Tannhauser," and Mozart's "Magic Flute." The ballet company, under the direction of Peter Van Dyk, plans a "Giselle" with Ekaterina Maximova and Vladimir Vasiliev in the principal roles and a program devoted to ballets set to Schubert scores.

The Swiss premiere of Krzysztof Penderecki's "The Devils of Loudon," staged by Gunther Rennert and conducted by Janos Kulka, is one of the principal events of the 1978-79 season of the Grand Theatre of Geneva. Jean-Claude Ribet, the theater's director, will stage productions of Wagner's "Tristan und Isolde," which will open the season on Sept. 11, and "Tannhauser," and Mozart's "Magic Flute." The ballet company, under the direction of Peter Van Dyk, plans a "Giselle" with Ekaterina Maximova and Vladimir Vasiliev in the principal roles and a program devoted to ballets set to Schubert scores.

New Freedom to Be Indifferent

China Audiences Short on 'Decorum'

By Jay Mathews

NANNING, China, July 19 (WP) — Five minutes into China's smash-hit play, "Newsboys," the chatter from the packed Saturday-night audience finally quieted enough to hear the actors. When the curtain came down on the last act, everyone rose quickly and headed for the exits, with barely a ripple of applause.

The Chinese of this southern regional capital were demonstrating another side of China's new cultural freedom — the right to be indifferent.

In a remarkable blossoming of the arts across the People's Republic, new and old plays, movies, operas and ballets are being staged in hundreds of theaters where the doors were often shut in the past. But despite the enthusiasm and variety on stage, China's millions of theatergoers are often responding with little more than a rattle of empty pop bottles, a buzz of private chat and a shuffle of feet.

One Peking concertgoer voiced his annoyance at his countrymen's theater manners in a letter recently published in the People's Daily: "I felt ashamed because the decorum in the concert hall was unthinkable bad and the influence on the evening extremely unpleasant."

At six different plays, movies and operas attended during a 10-day trip to three southern Chinese cities, local audiences invariably ar-

rived late, talked loudly and applauded little, even at live performances. These are said to be old Chinese habits, and Chinese audiences seem secure enough in the new period of "one hundred flowers blooming" in the arts to be casual and nonchalant, even when upbraided in the official party newspaper.

What the cultural reawakening really offers many of them is more chances to go out with friends at night and chat in an air-conditioned theater, at least as important to many poorly housed Chinese as the chance to see something new on stage.

When a Chinese audience sees something it likes, and there is much more of that now than there used to be, they respond with warmth and excitement, though not much hand clapping. A crowd packed into a sweltering unit-con- ditioned movie theater in Canton laughed and cheered at a 1957 romantic operetta, full of boy-meets-girl winks and blushes. There was hearty, if brief, applause for a local girl-made-good who was announced as the star of an opera in Kweilin.

The audience for the "Newsboys" here in Nanning hushed to a whisper when the actor playing the revered late Premier Chou En-lai made his torchlight entrance onto the stage.

For 10 years, up until about a year ago, plays and operas had to pass such strict tests of seriousness

and political usefulness that few were produced and many theaters were closed much of the time. When tickets were available, they were often doled out by offices and factories as rewards for good behavior. Few people were allowed simply to go to a box office and buy a ticket.

Last year, after the dust had settled from the 1976 death of Mao Tse-tung and the purge of his dogmatic "Gang of Four" followers, dozens of movies and plays that had been banned for bad politics or lack of politics were re-released or restaged. Box offices started selling tickets to all comers. The liberal-minded diplomat Huang Chen, whose easygoing manner had graced the Washington cocktail circuit while he was China's envoy to the United States, came back to Peking to serve as culture minister.

Shortage of Art
"The present shortage of all genres of literature and art caused by the sabotage of the Gang of Four should be rapidly overcome," said new Party Chairman Hua Kuo-feng. "The repertoire of the performing arts should be enlarged to enrich the people's cultural life."

Foreigners living in or visiting China probably welcome the change even more enthusiastically than the Chinese. Anyone who has been forced to sit through the endless clenched-fist poses and olive-drab costumes of the "East is Red" ballet welcomes with relief revived productions like the dance drama, "Small Dagger Society." This restored production, although still taking a revolutionary theme, provides catchy tunes, girls in filmy costumes and even some kung-fu fighting.

In Peking, where many foreigners attend theaters, the Chinese audiences occasionally pick up the Western habit of demonstrating approval. In their debut in Peking, the "Newsboys" actors had to answer several curtain calls.

But without many foreigners around, the Chinese audiences generally resume old habits. "The impression I have is that the Chinese feel they have paid their compliment to the performers by buying a ticket, and there's not much need to do anything else," said one long-time British resident of Peking.

Not So Interested
Asked about the tepid reaction to "Newsboys" here, tourist guide Yin Chien-chou said, "Some of them may have seen the play before, so they are not so interested."

Such excuses did not mollify an avid Peking theatergoer named Hsia Li, whose angry letter to the editor appeared in the People's Daily a few days after the Nanning audience chatted through "Newsboys."

"Unfortunately, this kind of phenomenon occurs very often," he wrote, referring to incidents he had encountered in the national capital 1,500 miles to the north of this much more provincial city. When Mr. Hsia attended a concert at the capital gymnasium, "those who came late and those who left early were like a river winding here and there. Coughing, spitting, talking and laughing could be distinctly heard from the audience. Empty bottles rattled here and there."

Our wise leader Chairman Hua calls on us to raise the scientific and cultural level of our Chinese nation. To me, this should include forming more "civilized habits."

Learning How the Natives Live . . . at a Price

Americans Initiated Into Mysteries of the English Tea Ceremony

By Susan Heller Anderson

"And, speaking of the science of life, how you got the cucumber sandwiches cut for Lady Bracknell?" — "The Importance of Being Earnest," by Oscar Wilde.

LONDON, July 19 (NYT) — Unlike Lady Bracknell, who never did get her cucumber sandwiches, four visiting Americans happily demolished a heaping platter of these traditional teatime accompaniments, plus trays of scones with clotted cream and blackberry jam, chocolate cake, honey and nut loaf, two sorts of meringues, shortbread and flapjacks, all washed down by cups of India tea served in Jofan Bankes' great-grandmother's cup.

Serving this once typical afternoon tea, now an endangered ritual, was the inspiration of Mrs. Bankes and her friend, Ann Benson. They dreamed up the idea for the benefit of visitors who want to see how the English live. The two women take turns in their Hampstead homes in North London, dishing out home-made products with generous gobbs of conversation and friendly tips on local life.

"We thought that some people would rather like to stop and talk after running about in museums for days," said Mrs. Benson, a peppy woman with an infectious smile whose favorite expression is "Crums."

Honeymoon

At 3:30 one recent rainy afternoon, the first guests to appear were a newly wedded couple on their honeymoon, Virginia and Richard Harshman from Sullivan, Ill. Mr. Harshman talked first about what an extraordinary woman his wife was, a suitable topic under the circumstances. Mrs. Harshman blushed and listened attentively until the arrival of the third guest, a Long Island woman, Muriel Levine, who was beginning a yearlong stay in London with her husband, a college professor on sabbatical.

The fourth participant was Della Schalk, who works at Northwestern University. Mrs. Schalk and the Harshmans had

heard about the tea from a travel agent, Mrs. Levine, from a New York friend. So far, all the guests have been Americans.

Both Mrs. Benson and Mrs. Bankes were skillful in steering the conversation past the initial awkward stage. Married to an accountant and an ophthalmologist, respectively, the hostesses talked freely about their own domestic lives with an openness that differed dramatically from everyday tourist encounters with the often reserved

natives. Their homes, while not grand or even beautiful, are typical upper-middle-class houses — comfortable and unpretentious. The group moved into the dining room where the sandwiches and sweets were attractively arranged on the table. Mrs. Bankes demonstrated how to eat scones — split in half, with the clotted cream used like butter, and topped off with jam. She also poured tea.

As with most things in English life, tea sorts out the classes. The

correct upper-class way to pour is to put the tea in the cup, then add milk, rather than the other way around. Mrs. Bankes, as one might expect, chose the former method.

Mrs. Benson explained the order of eating tea things, beginning with cucumber sandwiches, then scones, then nut bread, cake, meringues and biscuits. She had thoughtfully baked shortbreads in heart shapes for the Harshmans.

One rather unusual cake was what she called flapjacks, not the

American variety, but a sort of thick oatcake with a rich, wheaty flavor sweetened with honey.

The conversation became more unbuttoned as the afternoon wore on.

Things were still going strong at 5 o'clock, and Mrs. Benson and Mrs. Bankes appeared to be enjoying themselves, too. "Tea like this belongs to an era that's almost gone," Mrs. Benson sighed.

The women do not themselves collect the money — the tea costs about \$9 paid through a travel agency — thus preserving the aura of a friendly visit. Since tea at the Ritz or Harrod's costs roughly half that, one wondered what brought these visitors. Their reasons were unanimous. They all wanted to see an English home.

(To book in London, call 455-9044 or 455-9303.)

Wine

A Taste of the Grape of Luxembourg

By Jon Winroth

LUXEMBOURG, July 19 (IHT) — The Moselle River flows through three countries and wine is grown along more than half its length in all three. Anyone interested in wine has probably tasted German Moselwein and may have run across French Cotes du Toul *vin gris*, although only a little makes its way as far as Paris.

But no one who has not been on the spot is very likely to have tasted the wines of Luxembourg. Two thirds of the production (about 120,000 hectoliters grown on 1,200 hectares) is drunk in the Grand Duchy itself. Most of the rest goes to Belgium and a small amount to the Netherlands. West Germany (where it is a favorite of President Walter Schell) and even the north of France, especially the city of Lille.

Luxembourg's wines make for very pleasant summer drinking in the cafes and restaurants along the Moselle itself. They go especially well with the delicately smoked ham from the nearby Belgian Ardennes and fish from the unpolluted Moselle. Anglers line its banks and haul in a steady catch of *brochet*, *goujon* and *ablette* (pike, gudgeon and bleak).

Water's Edge

Vines grow right down to the water's edge, half of them in Luxembourg and half in Germany. The soil along this part of the river is

calcareous with some sand and clay. The sweet German whites directly across the river are very ordinary but the Luxembourgers have wisely not copied their neighbors' style of wine.

Virtually all the wines are white, apart from the odd rose. They are mostly dry and resemble Alsatian wines more than German.

They are low in alcohol, fruity and very easy to drink. Best of all, they are very well made. A Luxembourg Riesling is not to be compared with a great Alsatian Riesling for depth and finesse, but every wine I tasted was clean and pleasant.

The tolerance for sulfur dioxide (a bactericide) is much lower in the Grand Duchy than in France, 150 milligrams per liter vs. 250, and this is a godsend. Too much of this necessary evil can foul the best of wines, and all too often does in France.

The basic wine is a very light, fresh and fruity dry white made from the Elbling grape. This is the most popular wine. Rivaner, a cross between Riesling and Sylvaner grapes (also known as the Mueller-Thurgau), is another common wine but with more pronounced taste and less freshness, as is the Auxerrois.

The Pinot Blanc gives a wine of considerable fruitiness that is reminiscent of its Alsatian brother. The best of the dry whites is the Riesling, the "aristocrat" of Luxem-

bourg wines. It has fruitiness and plenty of distinction.

Two wines that often come out rather sweet are Pinot Gris (Rulander, across the Moselle, and Tokay in Alsace) and Traminer, a richly spicy wine. A number of sparkling and "pearling" wines are also made. The latter sparkle very gently, which gives even the sweet wines a certain freshness.

Two thirds of the production is handled by cooperative cellars, some independent, such as the one at Wormeldange, most of the others in the Vinmoselle group, which includes the cooperatives of Reusschen, Wellenstein, Remich, Stadtbredimus, Greiveldange and Grevenmacher.

The predominance of cooperatives comes from the fact that most holdings are tiny, one hectare or less, and it doesn't pay to try to vinify and bottle. The rest of the vineyards are larger, owned by wine companies or as private estates. Some of them make remarkable wine.

To taste these wines in Luxembourg: The Vinmoselle cellar at Stadtbredimus on the Route du Vin has a broad range available by the 20-centiliter pitcher or bottle. Try any of the various cafes along the Route du Vin, especially the one run by Mrs. Klemm Leitz at No. 77 in Remerschen. A good restaurant with a fine selection of grower's and co-op wines to accompany Moselle fish is the Esplanade on the river at Remich.

Republic
ranks 26th in
equity capital
among all
U.S. banks.

And ranks 1st in
the ratio of
stockholders'
equity/assets.

LARGEST U.S. BANKS AS OF 12/31/77	
RANK	EQUITY CAPITAL (\$000's)
1. CITIBANK NA, NEW YORK	3,291,406
2. BANK OF AMERICA NT&SA, SAN FRANCISCO	3,003,101
3. CHASE MANHATTAN BANK NA, NEW YORK	2,144,624
4. MORGAN GUARANTY TRUST CO., NEW YORK	1,547,020
5. MANUFACTURERS HANOVER TRUST CO., NEW YORK	1,288,571
6. CHEMICAL BANK, NEW YORK	1,134,517
7. CONTINENTAL ILLINOIS NB&T CO., CHICAGO	1,101,721
8. BANKERS TRUST CO., NEW YORK	955,141
9. FIRST NATIONAL BANK, CHICAGO	937,315
10. SECURITY PACIFIC NATIONAL BANK, LOS ANGELES	847,911
11. MELLON BANK NA, PITTSBURGH	682,107
12. WELLS FARGO BANK NA, SAN FRANCISCO	652,017
13. CROCKER NATIONAL BANK, SAN FRANCISCO	554,519
14. MARINE MIDLAND BANK, BUFFALO, N.Y.	547,511
15. NATIONAL BANK OF DETROIT	545,710
16. FIRST NATIONAL BANK, BOSTON	500,589
17. IRVING TRUST CO., NEW YORK	438,519
18. UNITED CALIFORNIA BANK, LOS ANGELES	417,842
19. CLEVELAND TRUST CO.	385,015
20. FIRST PENNSYLVANIA BANK NA, PHILADELPHIA	364,301
21. FIRST NATIONAL BANK, BOSTON	287,760
22. FIRST NATIONAL BANK, DALLAS	281,856
23. WACHOVIA B&T CO. NA, WINSTON-SALEM	253,864
24. NATIONAL BANK OF NORTH AMERICA, NEW YORK	244,415
25. PHILADELPHIA NATIONAL BANK	244,155
26. NORTHERN TRUST CO., CHICAGO	238,031
RANK	RATIO
1. REPUBLIC NATIONAL BANK OF NEW YORK	10.2%
2. CLEVELAND TRUST CO.	9.8
3. MELLON BANK NA, PITTSBURGH	6.9
4. NATIONAL BANK OF DETROIT	6.6
5. WACHOVIA B&T CO. NA, WINSTON-SALEM	6.6
6. NATIONAL BANK OF NORTH AMERICA, NEW YORK	6.4
7. BANK OF NEW YORK	5.7
8. MARINE MIDLAND BANK, BUFFALO, N.Y.	5.6
9. FIRST NATIONAL BANK, BOSTON	5.5
10. FIRST NATIONAL BANK, DALLAS	5.5
11. CITIBANK NA, NEW YORK	5.5
12. SECURITY PACIFIC NATIONAL BANK, LOS ANGELES	5.5
13. CROCKER NATIONAL BANK, SAN FRANCISCO	5.5
14. MARINE MIDLAND BANK, BUFFALO, N.Y.	5.5
15. NATIONAL BANK OF DETROIT	5.5
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23. WACHOVIA B&T CO. NA, WINSTON-SALEM	5.5
24. NATIONAL BANK OF NORTH AMERICA, NEW YORK	5.5
25. PHILADELPHIA NATIONAL BANK	5.5
26. NORTHERN TRUST CO., CHICAGO	5.5

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Fukuda Warns West to Adjust

Better Balance Calls for Change

By John Robinson
BRUSSELS, July 19 (WP) — Both the United States and Western Europe have major adjustments to make if their bilateral links with Japan are to achieve a healthier balance, Japanese Prime Minister Takeo Fukuda warned here today at the end of a two-day visit to Common Market headquarters.

Mr. Fukuda's statement was given in the release in Tokyo of figures showing that in dollar terms Japan's trade surplus with the United States had risen by more than 100 percent in less than a year.

—up \$5.28 billion for the first half against \$2.33 billion a year ago. Europe, whose deficit with Japan now appears to be stabilizing, also came in for some hard-hitting criticism from Mr. Fukuda in a speech made here today. In contrast to the "very deep and broad relationship between Japan and the U.S., which has developed in postwar years," "Europe has not quite treated us as a true friend or a real partner, but rather as something alien to them."

"In returning to international economic society after the war," he charged, "Japan was not given by Europe a status of an equal partner." He further noted that "the days are past when Japan and Europe could be content with an indirect relationship through the United States as intermediary."

EEC officials privately admit that there is a tendency in Europe to consider Japan as a kind of "jumped up" phenomenon which hopefully would "go away" in the course of time.

Mr. Fukuda's message, they feel, is a clear reminder that "Japan is here to stay," and that Europeans had better adjust to the increasingly strong reality of Japan's postwar resurgence.

Japan's Current Account At Record Surplus in Half

By Henry Scott-Stokes

TOKYO, July 19 (NYT) — Japan had a record current-account surplus of \$8.8 billion in the first half of 1978, compared with a \$3.08-billion surplus a year earlier, the Finance Ministry said today in a preliminary report.

The six-month surplus on the current account — which includes trade and service items — was boosted by a near record \$2.33-billion current-account surplus in June compared with a \$739-million surplus in May and \$857 million a year earlier.

The results came as an embarrassment to Japan as international pressure mounted for greater Japanese imports of agricultural goods and aircraft.

The surge in the current-account surplus was accounted for by yet another near-record trade surplus of a preliminary \$2.93 billion in June, up sharply from \$739 million in May and \$872 million a year earlier, with exports up 21 percent in the month to \$7.95 billion while imports dropped by 2 percent to \$5.02 billion.

Oil Imports Off

Officials said this increase largely reflected a sharp drop in June crude-oil imports from the abnormally high level in May when importers rushed to beat a new consumption tax on crude effective June 1. Excluding crude oil, June imports in dollar terms rose 10.8 percent from a year earlier compared with the 2-percent overall decline.

They also pointed out that the quantity of exports actually dropped in the second quarter with the rise in the value of exports due to higher dollar export prices.

Meanwhile, the dollar fell to 201.95 yen from 202.15 yen yesterday in trading here as the Bank of Japan intervened on a small scale to support the dollar.

The June trade figures indicated that forecasts that Japan will have a record trade surplus of \$23 billion

in the fiscal year ending next March were not unrealistic. For the first half of 1978, the trade surplus rose to \$12.42 billion from \$6.58 billion a year earlier as exports rose 21.3 percent to \$44.74 billion and imports gained 7 percent to \$32.32 billion.

Negative Inflation

The strength of the yen was underlined here by domestic price movements. In the first ten days of July, the nation's wholesale price index was down by 2.2 percent from a year earlier, the Bank of Japan said today.

With negative inflation and a trade surplus that so far is impervious to the appreciation of the yen, the prospects of a further plunge in the dollar against the yen, despite the 90-yen decline of the dollar over the last 18 months, appeared to improve.

The rise in the yen has yet to dent business confidence as judged by the Tokyo Stock Exchange, where the Nikkei Dow Jones index closed at a record high today of 5,640.

The market rallied on reports that the government will shortly introduce a supplementary budget to boost the economy and to enable Japan to keep its promise at the Bonn summit of major industrial nations to achieve a 7-percent real growth rate this fiscal year.

The main question for Prime Minister Takeo Fukuda on his return here from Europe this week will be how to get Japan's trade surplus down. Despite Japanese promises to keep exports level in terms of quantity, the surge of shipments abroad cannot be stopped overnight.

They said net buying by foreign investors of stocks in June rose to \$20 million from \$3 million in May, but this was more than offset by net sales of bonds which totaled \$150 million, down from \$339 million in May.

Farm Trade Seen Block For Accord

Strauss Cites Anew Needs of GATT Talks

By James L. Rowe Jr.

WASHINGTON, July 19 (WP) — President Carter's top trade negotiator reported "substantial progress" at last week's multilateral trade talks in Geneva, but warned yesterday there will be no overall agreement unless more foreign doors are opened to U.S. farm products.

Robert Strauss' tough talk was aimed at both the Europeans and the Japanese. The Carter administration does not think either has come far enough in granting access to their home markets for U.S. farm products.

Back barely a half-day from the Bonn economic summit, Mr. Strauss told a House trade subcommittee: "We are not satisfied with our agricultural progress and in my view the Carter administration will not present a trade bill to Congress unless the Europeans and the Japanese are more forthcoming in the agriculture area."

The top trade negotiators of the 20 dominant Western nations worked almost around the clock last week in order to come up with a "political" statement concerning the overall framework of the trade negotiations. Included in the agreement were a code on nontariff import barriers and subsidies on exports as well as access to markets by foreign crop producers, especially the United States.

The official told the Congressional panel that the world trading nations had reached an agreement on "multilateral guidelines for government policies" affecting world trade in steel. The agreement was applauded yesterday by union and industry officials.

In return, Mr. Strauss said that trading partners want the United States to put an injury test into its laws which prohibit governments from subsidizing exports. The United States is the only major nation that does not require a domestic industry to show that it is being injured by subsidized imports before the Treasury levies penalty duties.

He added that the participants in the trade talks now recognize that without progress on trade in agriculture, there will not be a "positive" conclusion to the trade negotiations.

British Earnings Rising Quicker Than Inflation

LONDON, July 19 (AP-DJ) — Earnings of British workers are increasing at a much more rapid pace than inflation, the Department of Employment said today.

The department said its new non-adjusted earnings index was 129.3 in May, up 1.7 percent from a month earlier and up 12.5 percent from a year earlier.

The retail price index for May showed prices had risen only 7.7 percent over 12 months, and the June index, released last week, showed a 7.4-percent inflation rate. The April earnings index, which was up 12.4 percent from a year earlier, was not revised from the originally reported 127.2. The new earnings index is not seasonally adjusted and is based on January 1976, equalling 100. It covers all employees in Britain's industrial and service sectors.

Canada Plant, Jobs Move South

OTTAWA, July 19 (AP-DJ) — With a sickly manufacturing sector and a jobless rate at a record 8.6 percent, Canada can ill afford to lose the expansion projects and related jobs of major manufacturers. But one such manufacturer comments that the business and political climate appears "more promising" in the United States than in Canada with its "quasi-socialist" government.

And he is not alone in that belief. "Canada is currently going through one of the most difficult and troublesome periods in its history," observes John Allan, president of Steel Co. of Canada Ltd., based in Toronto and the country's largest steel producer.

There were 110 new Canadian manufacturing ventures in the United States during 1976 and 1977, twice as many as during the previous two-year period, reports the Conference Board, a New York business-research organization. The investments also tend to be more substantial than before, the board added.

It cites the recent \$78-million acquisition of Amtel Inc., the Rhode Island-based industrial and consumer-products maker, by Dominion Bridge, a diversified structural-steel manufacturer based in Montreal.

Other Canadian companies that have made substantial U.S. investments recently include Keep Rite Products, a Brantford, Ontario maker of air conditioning and heating equipment; Hudson Bay Mining and Smelting, a Toronto mining and metallurgical concern; Molson Cos., a Montreal brewery; Tridon Ltd., an auto-parts maker based in Burlington, Ontario; and British Columbia Forest Products Ltd. of Vancouver. It is not only manufacturers that are spending more abroad, of course; but their investment is causing the most apprehension here in Canada's capital.

One problem, of course, is uncertainty about whether Quebec will remain a province, although Canadian concerns in and out of Quebec began to accelerate U.S. investments before the province elected a separatist government in November 1976. Another factor is productivity, which is about 20-percent higher in the United States than in Canada, where labor, land, energy, transportation and other manufacturing costs also have been soaring, corporate leaders note.

Minimum-wage levels and the pace of pay increases in Canada exceed those in the United States — despite a governmental wage-and-price controls program begun in late 1975. (The program, which expires this year, also controls profit margins.) Canadian manufacturing wage increases averaged 6.8 percent in 1977 — below the 7.5-percent controlled ceiling but above the 5.5 percent gain for U.S. manufacturing jobs.

Canada's manufacturing sector has its own share of woes, however, such as flat output and falling tariff walls. Manufacturers have failed to innovate, remain competitive abroad or "upgrade domestic resources," and there are few "public incentives to overcome all of these obstacles," says Douglas Peters, Toronto Dominion Bank's chief economist.

As a result, Canada imports about 30 percent of its finished goods — more per person than any other industrialized country — which translates into a manufactured-products trade deficit of about \$U.S.2.5 billion. However, the deficit is offset by an \$11.3-billion surplus in raw materials and semi-finished products, such as wood pulp, newsprint, wheat, meat and fish, chemicals, metal ores, crude oil and natural gas.

To slow the exodus, though, the Canada's government, labor unions and business leaders are fighting back and advancing some radical prescriptions. For example, a few years ago, Michelin decided to build a plant in Bridgewater, Nova Scotia, — but only after the French tire producer received a \$14.4-million Canadian federal grant and another \$45 million in low-interest loans and land from the provincial government.

Besides wooing more U.S. projects to Canada, a new tax system could bolster Canada's existing manufacturing sector, suggests Mr. Peters. He advocates a corporate income tax that would benefit businesses producing the most processed goods. At present, other analysts say, Canada does too much hewing of wood and drawing of water, and too little upgrading of its natural resources.

NYSE Prices Rise On Bullish Earnings

Decline 12.8% For First Half

NEW YORK, July 19 (Reuters) — Gains by airlines on bullish earnings reports helped carry prices higher on the New York Stock Exchange today in active trading.

Analysts also said strength in Eastman Kodak, which reported higher quarterly earnings, also contributed to the higher market, as did other generally strong corporate reports.

The Dow Jones industrial average gained 11.70 to 840.70 with advances leading declines 973-to-443. Volume rose to 30.85 million shares from 22.86 million yesterday.

U.S. oil imports, including both crude and refined products, declined 12.8 percent in the first half of 1978 from a year earlier, the American Petroleum Institute reported today.

Imports accounted for 42.7 percent of U.S. supplies in June, compared with 46.4 percent a year ago. U.S. imports averaged 7,859,000 barrels a day, compared with 9,017,000 barrels daily in the like period last year, the industry group said.

Imports of crude oil alone averaged 5,820,000 barrels a day, 13.1 percent below the 6,695,000 barrel daily average last year.

In June, imports of both crude and refined products averaged 7,895,000 barrels a day, 11 percent below the 8,869,000 barrels a day imported during June last year.

Crude-oil imports, not including imports for the U.S. strategic reserves, amounted to 6,255,000 barrels a day during the month, down from 6,997,000 barrels daily a year earlier.

Analysts noted that the market was also helped by speculation that the Federal Reserve's weekly money supply report due tomorrow will show a large drop.

A Commerce Department report today that June housing starts rose 0.9 percent from the previous month was in line with expectations, analysts said.

American Stock Exchange prices also rose with the index up 0.83 to 151.00 and the average price per share gaining seven cents.

The trend of strong profit reports by airlines, established yesterday by Trans World and UAL's United Airlines, continued today with reports from American Airlines and Braniff.

Pan American World Airways, which has yet to report, was the most active issue, gaining 1/4 to 7 1/4. American Airlines rose 1/4 to 14 1/4 as third most active and Braniff gained one to 14 1/4.

Worker Income Up 0.9% in U.S.

WASHINGTON, July 19 (UPI) — U.S. personal income rose 0.9 percent in June to register another healthy gain, the Commerce Department said today.

The income statistics reflected a doubling in wage gains, largely because of the 700,000 persons added to the nation's work force last month. It also was additional confirmation that the overall economy boomed during the second quarter.

The 0.9-percent gain during June compared with a revised 0.7-percent increase in May and a 1.5-percent jump during April, the department said. According to the department, overall personal income stood at \$1.70 trillion at an annual rate, an increase of \$14.4 billion over May.

U.S. Banks Losing on Alien Loans Charge-Offs Reflect Rise in Last 3 Years

NEW YORK, July 19 (AP-DJ) — U.S. banks incurred greater losses last year on international loans than in any of the three previous years, a survey by a National Association of Bank Loan and Credit Officers showed.

The survey, by Robert Morris Associates, showed net charge-offs as a percentage of international loans and deposits last year rose to 0.176 percent from 0.158 percent in 1976, from 0.130 percent in 1975 and from 0.069 percent in 1974.

Most of the charge-offs were on loans to private commercial enterprises, with a relatively small percentage on loans to foreign banks, governments, governmental agencies and governmental banks, the survey showed.

A Robert Morris spokesman said 127 banks responded to the survey, down from 142 in 1976. Of those responding for last year, only 60 had any charge-offs at all in the international area, the same as for the 1976 survey.

Upward Trend

Total international loans and deposits charged off last year were \$405.7 million, the survey showed, up from \$281.6 million in 1976. However, the spokesman warned that the figures are not directly comparable since not all the same banks responded in both years. Nevertheless, he said "the overall trend toward higher charge-offs is correct."

Charge-offs recovered in 1977 amounted to about \$62.9 million, making net charge-offs for the year about \$342.8 million. In 1976, recoveries totaled \$27.2 million, making net charge-offs about \$254.4 million.

Gross charge-offs before recoveries as a percentage of international loans and deposits outstanding last year rose to 0.209 percent from 0.175 percent in 1976, the survey reported. Recoveries as a percentage of charge-offs soared to 15.6 percent in 1977 from 9.7 percent in 1976.

The survey also asked member banks to list their five largest international loan and deposit charge-offs, identifying each by dollar amount and country of borrower. The association said 57 of the 60 banks reporting charge-offs provided this data.

ARROW CAPITAL N.V.

Shareholders of Arrow Capital N.V. are offered the possibility to present up to 15% of their shareholding in the Company at a price per share of U.S. \$22. This represents approximately 85% of the net asset value per share (U.S. \$27.09) on June 30, 1978.

Holders of registered shares can tender for repurchase up to 15% of the number of shares registered in their name in the register of shareholders of the Company as per July 12, 1978. Requests to make use of this offering can be lodged directly with the Company or with any of the agent banks.

Holders of certificates to bearer can tender for repurchase up to 15 shares for 100 shares held. Requests to make use of this offering accompanied by certificates, with talon and dividend coupon N° 1 to 18 attached, representing 100 shares for each 15 shares to be repurchased are to be lodged with one of the agent banks.

This offering is effective as from July 24, 1978, and applies only to requests for repurchase lodged prior to the close of business on August 7, 1978, with:

Arrow Capital N.V., John B. Gorminweg 6, P.O. Box 899, Willemstad, Curacao, Netherlands Antilles.
Banque Rothschild S.A., 21 Rue Laffitte, Paris-9e.
N.M. Rothschild & Sons Limited, New Court, St. Swithin's Lane, London EC4P 4DU.
Piermont, Helderling & Pierson N.V., 214 Herengracht, Amsterdam.
Banque Bruxelles Lambert S.A., 24 Ave. Marius, Brussels.
Banque Privée S.A., 18 Rue de Hesse, Geneva.
Rothschild Bank A.G., Zollikerstrasse 181, Zurich.
Banque Internationale a Luxembourg, 2 Boulevard Royal, Luxembourg.

Company Reports

Allis Chalmers			Revenue, Profits in Millions of Dollars		
2nd Quarter	1978	1977	2nd Quarter	1978	1977
Revenue	464.30	409.30	Revenue	1,750	1,560
Profits	27.67	25.53	Profits	154.00	154.50
Per share	2.27	2.10	Per share	0.84	0.83
1st Quarter	1978	1977	1st Quarter	1978	1977
Revenue	866.20	789.10	Revenue	3,400	3,090
Profits	46.51	42.60	Profits	283.50	306.20
Per share	3.82	3.51	Per share	1.55	1.65
American Airlines			Du Pont		
2nd Quarter	1978	1977	2nd Quarter	1978	1977
Revenue	688.20	581.10	Revenue	2,730	2,470
Profits	43.90	31.50	Profits	190.80	161.40
Per Share	1.43	1.00	Per Share	3.92	3.28
1st Quarter	1978	1977	1st Quarter	1978	1977
Revenue	1,280	1,100	Revenue	5,270	4,740
Profits	36.90	29.90	Profits	358.90	282.40
Per Share	1.08	0.93	Per Share	7.37	5.73
American Can			Eastman Kodak		
2nd Quarter	1978	1977	2nd Quarter	1978	1977
Revenue	980.40	879.90	Revenue	1,560	1,350
Profits	30.10	26.90	Profits	191.80	135.10
Per Share	1.52	1.36	Per Share	1.19	0.84
1st Quarter	1978	1977	1st Quarter	1978	1977
Revenue	1,850	1,610	Revenue	2,940	2,550
Profits	49.60	45.00	Profits	332.80	229.30
Per Share	2.50	2.26	Per Share	2.06	1.42
American Express			Honeywell		
2nd Quarter	1978	1977	2nd Quarter	1978	1977
Revenue	1,020	838.40	Revenue	862.70	705.90
Profits	79.10	67.00	Profits	41.76	27.20
Per Share	1.11	0.94	Per Share	1.96	1.29
1st Quarter	1978	1977	1st Quarter	1978	1977
Revenue	1,940	1,600	Revenue	1,650	1,370
Profits	141.30	117.00	Profits	75.53	54.07
Per Share	1.98	1.63	Per Share	3.54	2.57
Anheuser-Busch			Pfizer		
2nd Quarter	1978	1977	2nd Quarter	1978	1977
Revenue	581.80	493.20	Revenue	585.30	487.30
Profits	33.20	27.02	Profits	45.90	38.90
Per share	0.74	0.60	Per Share	0.66	0.55
1st Quarter	1978	1977	1st Quarter	1978	1977
Revenue	1,060	884.60	Revenue	1,130	969.90
Profits	53.62	44.32	Profits	96.00	79.30
Per share	1.19	0.99	Per Share	1.37	1.13
Bendix			Polaroid		
2nd Quarter	1978	1977	2nd Quarter	1978	1977
Revenue	984.00	875.00	Revenue	219.70	249.30
Profits	39.80	34.00	Profits	36.16	20.47
Per Share	1.74	1.52	Per share	0.80	0.62
1st Quarter	1978	1977	1st Quarter	1978	1977
Revenue	2,700	2,500	Revenue	560.40	441.10
Profits	100.00	90.70	Profits	40.65	34.50
Per Share	4.45	4.06	Per share	1.24	1.05
Braniff Int'l			Sperry Rand		
2nd Quarter	1978	1977	2nd Quarter	1978	1977
Revenue	236.20	192.00	Revenue	972.50	827.90
Profits	11.21	9.76	Profits	45.15	37.51
Per Share	0.56	0.49	Per Share	1.29	1.08
1st Quarter	1978	1977	1st Quarter	1978	1977
Revenue	454.10	373.90	Revenue	3,790	3,300
Profits	20.08	16.39	Profits	184.26	159.53
Per Share	1.00	0.82	Per Share	5.29	4.59
Burlington Northern			Upjohn		
2nd Quarter	1978	1977	2nd Quarter	1978	1977
Revenue	639.23	529.74	Revenue	347.90	301.60
Profits	36.68	14.65	Profits	37.09	27.34
Per Share	2.77	1.12	Per Share	1.25	0.92
1st Quarter	1978	1977	1st Quarter	1978	1977
Revenue	1,192	1,027	Revenue	347.90	301.60
Profits	68.55	58.32	Profits	37.09	27.34
Per Share	5.16	4.57	Per Share	1.25	0.92

12 Month Stock										12 Month Stock										12 Month Stock										
High	Low	Div. in 5	Yld.	P/E	Sls.	Close	Prev	Ch'ge		High	Low	Div. in 5	Yld.	P/E	Sls.	Close	Prev	Ch'ge		High	Low	Div. in 5	Yld.	P/E	Sls.	Close	Prev	Ch'ge		
100% High Low Quot. Class										100% High Low Quot. Class										100% High Low Quot. Class										
12 Month Stock	High	Low	Div. in 5	Yld.	P/E	Sls.	Close	Prev	Ch'ge	12 Month Stock	High	Low	Div. in 5	Yld.	P/E	Sls.	Close	Prev	Ch'ge	12 Month Stock	High	Low	Div. in 5	Yld.	P/E	Sls.	Close	Prev	Ch'ge	

IOC Said to Be Suggesting 'Sublet' by Los Angeles

LAUSANNE, July 19 (Reuters) — The International Olympic Committee thinks Los Angeles can still host the 1984 Olympic Games by "subletting" them to a private corporation that would cover any financial losses, IOC sources said here today.

The sources said the IOC president, Lord Killanin, hoped to discuss this and other possible compromise solutions with Los Angeles authorities.

The IOC announced late tonight that Lord Killanin was offering to extend until Aug. 21 the Aug. 1 deadline the committee fixed for Los Angeles to accept the staging of the games under IOC rules.

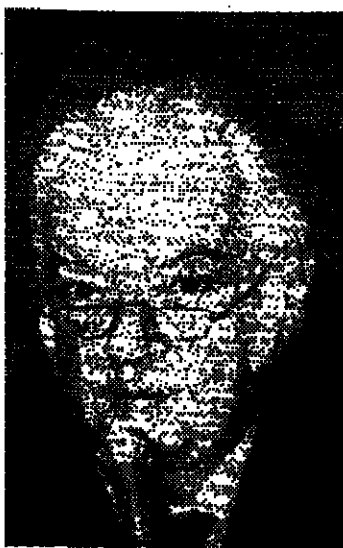
Los Angeles was the only candidate for the 1984 summer Olympic Games but, in fear that the games might result in a loss of several hundred million dollars, the city authorities proposed that a private corporation sign the contract with the IOC and take over responsibility for the financing of the games.

Letter to Bradley
Lord Killanin rejected this proposal in a letter to Mayor Tom Bradley of Los Angeles yesterday and Bradley then said he would recommend to the city council that Los Angeles withdraw its offer to stage the games. The council was considered certain to go along with this recommendation.

But the IOC sources said both sides had exchanged several Telex messages today with Bradley, suggesting a new meeting between city and IOC officials. Lord Killanin, the IOC was trying to find a suitable date for such a meeting, the sources said.

Door Called Open
The sources echoed statements by Lord Killanin in his letter to Mayor Bradley by saying the IOC was doing everything it could to have the 1984 games held in Los Angeles as planned. "We have left the door open," they said.

The sources cited as crucial this paragraph in Lord Killanin's letter to Bradley: "Our proposal would be for Los Angeles to sign the IOC agreement, to which we have always been pre-



Lord Killanin

pared for comments which can be additional clauses to protect any unreasonable demands and costs after all facilities have been agreed and approved."

This emphasized that IOC statutes required Los Angeles to sign the contract with the IOC, the sources said. But it left open the possibility of special clauses, for example on the question of financial responsibility, they added.

Normal Contract
Los Angeles could therefore satisfy the IOC's demands by signing the contract, then "subletting" the financial side of the games to the private corporation. The contract would then be a normal one between the IOC and the city, with the city taking nominal responsibility for the games, the sources said.

The IOC sources said it would be up to Los Angeles to work out any "subletting" arrangements. "As far as we are concerned, the city must sign and take overall responsibility. Apart from the financing, there are also other aspects of paramount importance, such as security at the games. It is difficult to see how you can sublet security," the sources said.

"If the worst comes to the worst

and Los Angeles pulls out, there are basically two possibilities. Either we cancel the games or we ask for new offers. This is for the executive board to decide," they added.

Nothing Official

GENEVA, July 19 (NYT) — "We have nothing official about a withdrawal," Monique Berlioux, the IOC's director said today about Bradley's announcement.

Speaking by telephone from Lausanne, Mrs. Berlioux said: "We still have plenty of time. It is only for 1984, so there is no reason for anyone to get excited."

"We still have Los Angeles as a candidate," Mrs. Berlioux said. "We cannot do anything before there is an official withdrawal. We have an executive board meeting here on Aug. 29-31. It is only then that a decision on the future can be taken."

Mixed Feelings in Munich
MUNICH, July 19 (AP) — Mayor Erich Kiesl of Munich, whose city was host for the Olympic Games of 1972, says most of its citizens would be willing to see the 1984 games staged here as well. But West German Olympic officials say they would be willing to talk about the idea only as a last resort.

"A casting is never as good as the original," said Walther Troeger, general secretary of the West German National Olympic Committee. The Bavarian capital is one of the few cities to make money by hosting the games, but officials say it will be considered only if the only alternative is no games at all.

There will be no application to stage the 1984 Olympic Games in the place of Los Angeles, said Troeger, who was in charge of the vast Olympic Village housing complex during the 1972 games. They were marked by the slaughter of Israeli athletes by Palestinian terrorists.

Athletic facilities from the 1972 games are still available in Munich, including the 78,000-seat Olympic stadium and the tent-like structure over it.



The man behind the mask is Dave Parker, the Pittsburgh Pirates' injured outfielder. He wears the hockey goalie's mask to protect the cheekbone he broke in a game June 30.

Socking It to Soccer: An American Dissent

By Larry Merchant

NEW YORK, July 19 (NYT) — Why does professional soccer in the United States remind me of jokes and lines from songs? Henry Youngman's "Take my wife, please." The one about the six-day bicycle craze at Madison Square Garden in the '30s? They should hold it on a long, very long, straightaway. "Cole Porter's 'I get no kick from champagne.'"

Because my head tells me, Yes, yes, it's time we stopped being isolationists and started playing the most popular game on earth with enthusiasm, but my heart answers, So what?

I like soccer in the abstract, as an exercise that others perform and watch, but I am less crazy for it in the concrete of our ball parks. I feel about it the way the English bride of a friend felt at her first baseball game, which happened to be a no-hitter. "Why is everyone so excited," she wondered, "when nothing is happening?"

Got To Feel It Here

That's it, really. Unless you know and care and sense it in your nollis, either game can put an insomnia to sleep. I never met a baseball fan I didn't like.

With a not entirely closed mind, I recently went to see the Cosmos. The highlight proved to be the bus trip through the Lincoln Tunnel. The babel of tongues momentarily deluded me into thinking I would emerge at a ski lift at the base of the Jungfrau.

The Cosmos have been carefully packaged and marketed. The great field of soccer in the United States what Catherine Deneuve did for perfume. No doubt other aging heroes who have lost their zest for hard international competition — e.g., Franz Beckenbauer — will continue to be lured to play for the Cosmos. They are all welcome even if the caliber of play in the North

NASL Standings

NATIONAL CONFERENCE	W	L	GF	GA	BP	Pct.
Eastern Division						
Cosmos	10	5	21	22	167	.667
Washington	14	0	26	42	126	1.000
Toronto	12	1	24	12	112	.923
San Jose	12	4	45	40	115	.750
Central Division						
Los Angeles	14	11	40	40	121	.556
Seattle	12	12	38	40	109	.500
Portland	10	16	46	55	105	.370
San Diego	8	16	34	55	105	.333
Western Division						
Vancouver	9	19	48	55	124	.316
Portland	10	17	42	54	147	.370
Seattle	12	12	34	38	110	.500
Los Angeles	8	16	39	49	98	.333
AMERICAN CONFERENCE						
Eastern Division						
New England	16	8	54	29	43	.667
Tampa Bay	12	12	42	37	127	.500
Fort Lauderdale	10	16	40	49	123	.370
Philadelphia	9	19	39	49	123	.316
Central Division						
Dallas	16	9	55	27	45	.643
Houston	9	17	43	32	86	.344
Chicago	8	17	44	45	81	.316
San Jose	8	16	38	45	81	.316
Western Division						
San Diego	15	10	52	45	126	.600
Los Angeles	12	12	42	42	126	.500
Oakland	11	14	37	42	88	.438
San Jose	5	19	27	44	56	.208

Championed division title. Six points awarded for each victory; one bonus point awarded for each goal scored in a match. Points per game are shown.

Reinforced 3, Minnesota 2; Philadelphia 4, Houston 2.

Major League Leaders

Runs Batted In	Runs Scored	Home Runs	Slugging Average	Fielding Percentage
NATIONAL LEAGUE: Foster, Cin 72; Clark, SF 71; Winfield, SD 69; Cav and Gervay, LA 60.	AMERICAN LEAGUE: Rice, Bos 76; Staub, Det 72; Thompson, Det and Mile, Mil 63; Thornton, Cle 51.	NATIONAL LEAGUE: Blue, SF 124; Grimsley, Mil 124; Knauer, SF 115; Rogers, Mil 117; Niekirk, Mil 111.	AMERICAN LEAGUE: Gaudy, NY 131; Torrance, Cal 125; Flenore, Bos 123; Serrano, Mil 124; Eckstein, Bos 114; Torrance, Bos and Caldwell, Mil 111.	EARNED RUN AVERAGE (Based on 90 innings pitched)
NATIONAL LEAGUE: Roberts, Mil 2.12; Winfield, SF 2.39; Roush, Cal 2.54; Blue, SF 2.61; Snow, NY and Knauer, SF 2.62.	AMERICAN LEAGUE: Gaudy, NY 2.23; Matlock, Tex 2.31; Flenore, Bos 2.45; Caldwell, Mil 2.47; Gole, KC and Knauer, Det 2.54.	STRIKEOUTS	NATIONAL LEAGUE: Roberts, Mil 177; Niekirk, Mil 134; Serrano, Cal 123; Matlock, Tex 108; Blue, SF 103.	AMERICAN LEAGUE: Gaudy, NY 127; Torrance, Cal 125; Flenore, Bos 109; Leonard, KC 97; Matlock, Tex 83.

Navratilova, Or the Unmaking of a Brat

By Red Smith

NEW YORK, July 19 (NYT) — The first thing that impresses one in meeting Martina Navratilova is her easy composure. The second is her charm. It is as though the volatile kid from Czechoslovakia who calls herself the Brat became a woman Friday afternoon, July 7, when she defeated Chris Evert for the Wimbledon singles championship.

At 19 she was an accredited member of the tennis mania where it is not always possible to keep order with a whip and kitchen chair. If she didn't indulge in the obscenities and tantrums that distinguish some overpaid and underappreciated performers, she could fly apart emotionally, she was capable of berating a line judge or dissolving in tears. At 21 she is a professional, with professional poise.

"I'm emotional," she said the other day, "and I spit out. If I'm happy, I show it. If things go wrong, I bring it hard on myself. But not to much anymore. I still feel it inside but I don't show it so much."

"That's maturity," it was suggested.

"Yes, she said, "and experience. Learning that when I lose my temper I don't hurt anybody but myself."

On a Carpet

The new Wimbledon champion was sitting in the stands of the Boston University hockey rink, where the Boston Lobsters of World Team Tennis play on a carpet. She wears her brown hair in bangs, has brown eyes, even white teeth and regular features that can light up like neon in a smile.

She speaks unaccented English peppered with Americanisms — "You can say that again," "super-duper," "everything's rosy." At 5 p.m. last Tuesday the Women's Tennis Association computer ranked her No. 1 in the world, the position Chris Evert had occupied for four years, "and I haven't come down to earth yet," she said.

House Rejects Special Bill On Citizenship

WASHINGTON, July 19 (AP) — Martina Navratilova failed to win enough support in the House of Representatives yesterday to waive the legal waiting period for her to gain U.S. citizenship.

She defected from Czechoslovakia in 1975 and was granted permanent resident status then, making her eligible for citizenship in 1980.

Rep. James M. Collins, R-Texas, who represents the Dallas district where Navratilova resides, had filed a bill to waive two years of the five-year waiting period for citizenship so that she would be eligible to represent the United States in international competition this year.

The House sent the bill back to the Judiciary Committee, an action that effectively killed the proposal.

"How about Wimbledon?" she was asked.

"What do you want to know? I could talk about it for hours. Want to hear about the strawberries and cream?"

"No. When did a shot whack you?"

"Early in the second set. It was a volley cross-court and I ran right into it. Hit me where on the temple. It didn't hurt. It woke me up."

Suddenly Behind

Martina had lost the first set, 2-6. She won the second, 6-4, and the first two games of the third set. Then Chris caught and passed her, taking a lead of 4-2. Now, though, the left-handed power that sets Martina apart came on at full throttle. Chris won only one more game as the new champion ran out the match, 7-5.

"I had been nervous at the start," she was asked.

Gottfried Beats McNair In Washington Tennis

WASHINGTON, July 19 (UPI) — Second-seeded Brian Gottfried overcame the loss of the first set and outlasted Fred McNair, 3-6, 7-1, 6-1, yesterday in the first round of the Washington International tennis championship.

Gottfried, who reached the finals at Washington last year, dropped the first set when McNair gained a service break in the key eighth game. Gottfried went ahead in the second set, 3-0. But McNair, serving and volleying well, caught up to 5-6 to force a tie-breaker. Gottfried won the tie-breaker, eight points to

six, when McNair netted two straight backhands.

Gottfried needed only 20 additional minutes to wrap up the match, breaking McNair's serve three times in the final set to advance to the second round. In other matches involving seeded players: Eddie Dibbs defeated John Sadri, 6-4, 6-1; Raul Ramirez beat Billy Martin, 6-2, 6-3; Manuel Orantes beat Christophe Freys, 6-3, 6-2; Harold Solomon beat Ismail El Shafie, 6-2, 6-1; John Alexander beat Alvaro Benicour, 7-5, 6-0; John McEnroe defeated Robert Lombardi, 5-7, 6-3, 6-2, and Jose Higueras beat Gary Stansbury, 6-4, 6-3.

Arthur Ashe survived a shaky start to top a 19-year-old amateur, Robert Van't Hof, 7-6, 7-6, and Phil Dent beat Rick Fagel, 7-6, 6-2.

At a Cost of \$9,000

Jackson to Be Out 5 Days

By Murray Chass

NEW YORK, July 19 (NYT) — Reggie Jackson's "indefinite suspension" by the New York Yankees became a five-day ban yesterday that will keep the slugger star out of uniform for four games.

Jackson and manager Billy Martin, who imposed the original suspension Monday night, flew west yesterday, occupying different planes and heading for destinations that were as far apart as the manager and his player have been spiritually for a season and a half.

Martin led the Yankees to Minnesota, where they are to play tonight without Jackson. Jackson flew home to Oakland, Calif., to sit out his suspension without pay for "deliberately disregarding the manager's instructions."

Show of Force

Martin, who became so enraged over Jackson's behavior during a bunting episode Monday night that he flung a clock radio and a beer bottle against a clubhouse wall after the game, at first suspended Jackson indefinitely. Then yesterday, to conform to baseball rules that require a specific period, the Yankees made the suspension five days, lasting through Saturday's game in Chicago.

Thus Jackson misses one day off (yesterday) and four games, costing him \$9,273.75 of his \$332,000 annual salary.

Martin was believed to have favored keeping Jackson under suspension for at least a week. However, the team president, Al Rosen, recommended that Jackson be reinstated before the team returns to New York next Wednesday.

"This is probably the best thing that's happened in a long time," the manager said of the suspension's significance to the team. "It'll pull the team together. If you took a player, I think you'd find the players unanimous — 100 percent."

Rosen said yesterday that a fine was not called for in Jackson's case. "You're talking about insubordination," the Yankee president said. "Twenty-four guys are waiting to see what you're going to do. You can't emasculate your manager."

Martin and Jackson have tangled since George Steinbrenner signed the slugger as a free agent on Nov. 29, 1976 for five years at \$2.9 million.

More recently, the front office, where Jackson had his staunchest ally in Steinbrenner, appeared to have soured on Jackson's abilities and his presence.

"I don't think they feel he can play baseball anymore," a close friend of Jackson said yesterday. "It's affecting Reggie. A situation like this tends to take the fun out of baseball. Though he gives 110 percent, he finds it very difficult to do that in this situation. I think the suspension is a good thing, though."

Major League Standings

AMERICAN LEAGUE	W	L	Pct.	GB
East				
Boston	61	28	.685	—
Milwaukee	45	36	.556	8
Baltimore	39	42	.480	12 1/2
Cleveland	38	43	.469	13
Seattle	37	44	.456	14 1/2
West				
Kansas City	48	41	.539	—
California	46	43	.516	2 1/2
Oakland	46	43	.516	2 1/2
Texas	44	44	.500	5
Minnesota	39	48	.448	8
Chicago	37	47	.438	10
Seattle	32	62	.340	18 1/2
Today's Games				
Baltimore vs. Texas 1				
Milwaukee vs. Chicago 2				
Cleveland vs. California 3				
Oakland vs. Detroit 4				
Toronto vs. Seattle 5				
Yesterday's Games				
Detroit (Boston 9-4) at Oakland (Kansas 6-4)				
Boston (Toros 11-5) at Milwaukee (Baltimore 7-4)				
Baltimore (Pittsburgh 10-8) at Chicago (Kansas 7-4)				
San Francisco (Palmer 7-7) at Milwaukee (Zion 6-7)				
Texas (Lindberg 9-4) at Kansas City (Gale 10-2)				
Cleveland (White 9-11) at California (Frost 5-9)				
Toronto (Jefferson 4-7) at Seattle (Mancini 3-5)				
NATIONAL LEAGUE				
East				
Philadelphia	48	38	.558	—
Chicago	46	43	.516	2 1/2
Pittsburgh	44	44	.500	5
Montreal	46	45	.494	6
New York	38	55	.409	13 1/2
St. Louis	37	57	.394	15
West				
San Francisco	56	37	.602	—
Los Angeles	52	39	.570	2
San Diego	49	42	.539	5 1/2
San Jose	47	49	.488	7 1/2
Atlanta	41	49	.450	13 1/2
Today's Games				
Chicago 7, San Francisco 2				
Los Angeles 7, Pittsburgh 2				
Atlanta 4, New York 3				
Montreal 3, Cincinnati 1				
Houston 4, Philadelphia 3				
San Diego 3, St. Louis 2				
Yesterday's Games				
San Francisco (Blue 12-4 and Borz 4-7) at Chicago (Lorne 2-10 and Seibel 1-9) at Houston (Ost 3-5, 2)				
Houston (Dicson 4-4 and Lammone 7-8) at New York (Clemens 10-8 and Sweeney 10-2)				
Atlanta (Boggs 1-5 and Easley 7-5) at Montreal (Mey 4-4 and Twiloch 3-7, 2)				
Cincinnati (Mazouzi 1-2) at Philadelphia (Carr 2-8)				
Los Angeles (Rou 10-4) at Pittsburgh (Rooker 4-4)				
San Diego (Jones 6-4) at St. Louis (R.Thorne 1-4)				

Tour Lead Unchanged

LAUSANNE, July 19 (Reuters) — Centre Kautzman sprinted victory in the Tour de France stage here today as Joop Zoetemelk retained the overall leader's yellow jersey and his 14-second lead over Bernard Hinault.

CFL Results

Today's Games	Yesterday's Games
Montreal 30, Toronto 22	Edmonton 29, Winnipeg 28
Winnipeg 28, Montreal 22	Calgary 28, Vancouver 22
Calgary 28, Vancouver 22	Edmonton 29, Winnipeg 28

It'll give him time to sit down and think things through and get his head together."

Jackson, who was last season's World Series hero, has been quietly seething since June 26, when, with front-office approval, he was transformed from a full-time rightfielder to a part-time designated hitter and from the fourth hitter in the lineup to the sixth hitter. The change meant he only batted and did not play the outfield.

Jackson had not disclosed his true feelings about the change in status, but that was what most observers felt he was doing in the 10th

Transactions

BASEBALL
American League
BALTIMORE ORIOLES—Reactivated Billy Smith, infielder. Outfitter John Finn, pitcher, to Rochester of the International League.

CHICAGO WHITE SOX—Placed Wayne Nardengen, outfielder, on the 15-day disabled list.

NATIONAL LEAGUE
NEW YORK METS—Recalled Mike Strubert, pitcher, from Tidewater of the International League.

ST. LOUIS CARDINALS—Recalled Ken Caminiti, infielder, from Springfield of the American Association. Traded John Gonsky, catcher, to the San Francisco Giants for a player to be named.

FOOTBALL
National Football League
NEW ENGLAND PATRIOTS—Signed Bob Crocker, offensive tackle. Ken Coleman, line

backer, and Terry Folson, offensive lineman.

PHILADELPHIA EAGLES—Announced the retirement of fullback, running back. Released Albert Jones, fullback.

At Chicago, Greg Gross's sacrifice fly in the 11th inning scored Bobby Murcer with the winning run as Chicago defeated San Francisco, 7-6.

Astros 9, Phillies 1

At Houston, J.R. Richard pitched a three-hitter and drove in a run with a second-inning single as Houston used an 18-hit attack to beat Philadelphia, 9-1. Richard (9-9) struck out 10 and walked six as he raised his major league-leading strikeout total to 177.

Padres 3, Cardinals 2

